Contradictions cloud **US** policy over Libya, Page 3

No. 30,017

Thursday August 28 1986

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### Moscow sacks prices chief

World news

Oosted

TH AFRICA

The Soviet Union has removed Mr Nikolai Ghishkov, chairman of the State Committee for Prices and one of the country's most important economic officials, whose refusal to consider price changes was a big

obstacle to economic reform. Central control of nearly all Soviet wholesale and retail prices by Mr Glushkov's committee has prevented the implementation of plans to give enterprises greater financial

and managerial autonomy.

Mr Glushkov, aged 67, had held
his job since 1975 but came under attack in the press this year. His committee was criticised by Mr Mi-kail Gorbachev, the Soviet leader, in his address to the Communist Party in February. Page 14

#### Libya moves army

Libya moved its army and air force command centre 300 miles from Tripoli to the remote desert town of Hun, Western diplomats said. US policy contradictions, Page 3

#### Blast hits Kabul

Explosions lit the night sky over Kabul shattering windows six miles away, diplomats said. The Afghan Government said an ammunition dump exploded after a "technical

#### Romanian reshuffle

Key Romanian cabinet ministers were reshuffled in a move appeared linked with poor performance in exports and a bid to renegotiate part of the country's \$6.6bn Western

### Summit hopes rebuff

Soviet officials rejected optimistic US statements and said there had been no real progress towards a superpower summit meeting. Page 2

#### Links to be restored

East Germany is expected to become the first Warsaw Pact country to restore relations with the Chinese Communist Party, during a visit to Peking by East German leader Erich Honecker. Page 2

#### Tan offers to quit

Malaysian businessman Tan Koon Swan, jailed in Singapore, offered to resign as president of Malaysia's biggest Chinese political party.

#### Philippine peace bid Philippine President Corazon Aqui-

no said her government would exhaust all efforts to solve the insurgency problem in her country by peaceful means before taking further military action.

#### Swedish satellites Sweden plans to launch a series of,

small satellites up to 1990 as part of a service to improve the communication of Swedish companies with their foreign subsidiaries. Page 2

#### Tension at Short

The dispute at Belfast, Northern Ireland, aircraft maker Short Brothers over alleged intimidation of Roman Catholic workers worsened when about 2,000 Protestant workers walked out. Page 6

#### Corruption worries

Abuse of power by government and Communist Party officials ousted price increases as the biggest worry for Chinese surveyed in an opinion poll published by the New China News Agency.

#### Survivors trek home

torie gas explosion, in which at least 1,500 people were killed, trekked bome despite warnings that food and water in the disaster

44 : 11

### 14 nations sign free trade agreement

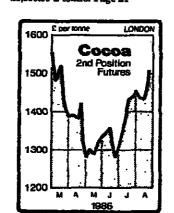
Business summary

AUSTRALIA'S pursuit of a freer world market progressed with the signing of an agreement by 14 na-tions aiming at the elimination of exports subsidies. Page 14

likely to approve the purchase of three airborne warning and control system aircraft from Boeing of the US in a deal worth \$1.5bn. Page 14

BRITOIL, largest independent UK oil company, is set to sack 800 work-ers in addition to the 250 already made redundant this year. Page 7

COCOA futures market maintained its active trading in London on concern over growing conditions in West Africa and Brazil. The November position climbed £25 to £1,506.50 a tonne. Page 24



WALL STREET: The Dow Jones in dustrial average closed 0.28 up at 1,904.53. Page 32

LONDON: Equities turned higher after a mixed start and gitts ended with some gains. The FT-SE 100 gained 13.6 to 1,629.8, while the FT Ordinary share index rose only 3.9 to 1,280.5. Page 32

TOKYO: Prices fell on profit-taking. The Nikkei average dropped 137.56 to 18,503.27. Page 32

DOLLAR closed in New York at DM 2.0455, SFr 1.6445, FFr 6.7035 and Y154.75. It fell in London to DM 2.0445 (DM 2.0495); FFr 6.7025 (FFr 6.7150) SFr 1.6450 (SFr 1.6520), and to Y154.65 (Y154.95). On Bank of England figures the dollar's index was unchanged at 110.8. Page 25

STERLING closed in New York at \$1.4835. It rose in London to \$1.4845 (\$1.4835). It fell to FFr 9.9500 (FFr 9.9625); SFr 2.4425 (SFr 2.4500); DM 3.0350 (DM 3.0400), and Y229.50 (Y229.75). The pound's exchange rate index rose 0.1 to 71.2. Page 25.

GOLD fell \$1.375 to \$381.00 on the London bullion market. It also fell in Zurich to \$380.25 from \$380.75. In New York the December Comex settlement was \$386.30. Page 24.

STATOIL, Norway's state-owned oil company, said it was not in favour of the oil output cuts being considered by the Norwegian Government. Page 17

WILLIAMS Holdings, the UK enngineering group, announced an agreed bid worth £57.5m (\$85m) for London & Midland Industrials which will enlarge its US activities.

BLUE CIRCLE, the largest UK cement maker, suffered a fall in profit of pearly £10m (\$14.8m) to £42.8m in the first half, partly because of bad weather and redundancy costs. Page 18; Lex, Page 4.

WILLIAM Farley, a Chicago investor, plans to raise more than \$500m through a public stock offering of Farley Apparel, the successor to Northwest Industries, which he purchased last year in a \$1.4hn leveraged buy-out financed almost

Scores of survivors of Cameroon's GELCO, which controls the world's taxic gas explosion, in which at biggest container and fleet leasing least 1,500 people were killed, companies, unveiled a major restructuring of the group and said it planned to retire up to \$350m of unsecured debt. Page 15

entirely by debt. Page 15

### Soweto rioting leaves at least 13 dead, 70 injured

SOWETO, the sprawling black township on the outskirts of Johannesburg, was tense but quiet last night after the worst violence since the state of emergency, writes Au-thony Robinson in Johannesburg. At least 13 people were killed and 70 injured as residents protesting against evictions for non-payment of rent clashed with police. Unofficial estimates put the death toil at

20, including 11 shot by police.
The violence erupted on Monday night and continued until yesterday morning after reports that municipal police controlled by the Soweto city council had begun evicting peo-ple and furniture from households involved in the 11-week-old rent boycott called in protest at the state the early hours of yesterday, police

in the township.

Barricades of cars, rocks and flaming tyres were thrown across roads in the White City area of

turned up to try to remove the barricades an unidentified person in the estimated 300-strong crowd threw a hand grenade, injuring four policemen, according to the official account of the Bureau for Informa-

Police retaliated by firing into the

of emergency and poor conditions opened fire again on about 80 acks who, they believed, were robbing a truck, killing four and injuring at least one other.

The official version of events is

Soweto, where a protest meeting disputed by several of those was in progress, to keep police wounded who told that the police opened fire after groups of demon-When police in Land Rovers strators tried to persuade the muni-

Doctors said that casualties taken to hospitals and clinics had been shot by bullets and heavy duty

Mr Nico Malan, the town clerk of Soweto, denied yesterday that any crowd, killing seven people and evictions had taken place in the wounding 61. In a later incident in area where the protests erupted. evictions had taken place in the

the Soweto city council offices de-manded an end to evictions. They were dispersed by tear gas, and eyewitnesses said groups then ran off to attack the homes of several

One councillor, Mr Sydney Mkwanazi, died in hospital after being attacked with knives by a group cipal police not to proceed with evic- of youths angered by news that one their comrades had been shot dead by guards at Mr Mkwanazi's house. Another councillor fled with his family when a crowd set fire to his home at midnight.

city councillors.

Black councillors have been prominent targets for attacks throughout the last two years of unrest, which was sparked off in Sep-Early yesterday a crowd outside tember 1984 by rent increases intro-

duced by black councils whose only sources of income is from rent and

service payments.
Schools throughout Soweto were empty yesterday as students boy-cotted classes, and the township was patrolled by security forces in armoured cars and other vehicles. Residents reported that tension remained high and said further violence could not be excluded unless the evictions were called off and troops and police removed from the

The South African Council of Churches said it had information which indicated that the death toll could be higher than the 13 official-

Rents spark explosion, Page 4

## Chernobyl may have suffered 'impossible' nuclear explosion

BY DAVID FISHLOCK, SCIENCE EDITOR, IN VIENNA

disaster, the International Atomic concrete top off the reactor, with all

claimed that the physical conditions of a nuclear reactor - any reactor against a steam explosion, impossi-ble.

A nuclear explosion could have even more serious repercussions on the public acceptability of nuclear energy in the West than have already ensued from what has been known of events at Chernobyl. Detailed examinations of the fi-

nal seconds in the life of the 1,000MW Chernobyl RBMK reactor suggest that a runaway nuclear chain reaction took place, blowing the fuel into fine fragments, which reacted with boiling water to produce two steam explosions.

times the designed energy output. In technical parlance, the reactor went "prompt critical."

A NUCLEAR explosion may have in the fuel detonated the bigger occurred in the Chernobyl nuclear steam explosion which lifted the

Energy Agency post mortem meet- the destruction which then ensued. The meeting yesterday accepted ing in Vienna is discovering. The meeting yesterday accepted.

The nuclear industry has always the Soviet version of events "with some confidence as a clear and sound description of the accident," would make a nuclear explosion, as Mr Bryan Edmondson of Britain's against a steam explosion, impossi- Central Electricity Generating Board, told a press conference last night. But the Soviets have agreed that the terminal events may still

need closer study. The official Soviet report stresses that a non-nuclear explosion wrecked the reactor and some observers here still strongly deny that Chernobyl was a nuclear explosion. But the dividing line between nuclear and non-nuclear is becoming increasingly hard to draw in the context of this accident.

Missing from data supplied to the meeting by Moscow are any de-The nuclear energy output of the tailed recordings from the control fuel at the point of the steam explorous of the final seven seconds afsions may have been hundreds of ter the "scram" button was pressed.

cause of damage already sustained by the reactor through faulty opera- have used its weather controlling In other words, a nuclear reaction tions, could reveal more precisely

the terminal events, Western del-

egates say. A senior US delegate said the control room records were needed "to peel the onion one layer deeper. adding that much of the data submitted about the terminal events

was not of high quality. He also stressed that US nuclear practice had put a big effort into designing out the reactor characteristics which had led to the Chernobyl accident.

He wanted to take another look at "how well we have protected our plants against this kind of disturbance," but added that it "certainly was not a nuclear explosion."

Soviet estimates suggest that the explosions blew about seven to eight tonnes of highly radioactive fuel out of the reactor, most of which rained down on the nuclear power station.

British delegates are impresse by the efficiency of the Soviet medi-cal services, which showed every evidence of having rehearsed their This data, which is incomplete be-procedures for a major accident The Soviet Union even claimed to

Continued on Page 14

By Kevin Done in Stockholm

A CONSORTIUM of Swedish finan-

cial institutions yesterday made an official approach to Mr Refaat El-

Sayed, majority shareholder and group chief executive in Fermenta,

the Swedish chemicals and biotech-

nology group, to buy part of his holding if the planned takeover by

Mr El-Sayed told a Fermenta

shareholders' meeting last night

that the consortium consisted of In-

dustrivarden, an investment com-

pany closely associated with Svens-ka Handelsbanken, Sweden's sec-

ond largest bank, Investment AB

Beijer, an investment company con-

trolled by Mr Anders Wall, the

Swedish financier, and the Svenska

He was also negotiating with a

number of so-called wage earner

funds, five regional investment funds controlled by trade unions. Mr El-Sayed said he was still in

contact with Montedison, seeking a

deal that could involve both the Ital-

ian concern as an industrial partner

and a new ownership consortium

The original agreement in principle of early July for the takeover by Montedison of Mr El-Sayed's hold-

ing in Fermenta - comprising 78

of the equity - has been running in-to increasing difficulties. It was for-mally rejected by the local trade unions in Fermenta on Monday.

Under the original deal, Mr El-

Continued on Page 14

Sayed would have withdrawn from

comprising Swedish institutions.

Handelsbanken pension fund.

Italy's Montedison collapses.

#### Sedgwick to acquire **Institutions** Crump for £207m approach **Fermenta**

BY ERIC SHORT IN LONDON AND ANATOLE KALETSKY IN NEW YORK Mr Carel Mosselmans, Sedg-

SEDGWICK GROUP, Britain's largest insurance broker, is expanding its presence in the US with an agreed £207m (\$307m) acquisition of Crump Companies, the country's eighth largest insurance broking

group.

The deal announced yesterday, which is being financed mainly by a C186m rights issue, will make Sedgwick the fourth largest broker in the US and the third largest in the world after the US broking giants Marsh & McLennan and Alexander

The takeover coincided with the publication of Sedgwick's interim results for 1986 which showed a 19 However, the London stock market reacted unfavourably to the deal and was disappointed with the dividend rise. Sedgwick's share price finished 27p lower at 345p af-

ter touching 342p. Sedgwick has had a fairly modest presence in the US but for some time it has wanted to increase its presence in the largest insurance feature in the group's overall ex-

James Group, the US's fifth largest itial earnings dilution.

Sedgwick's energy insurance pres-

wick's chairman, said that the ac-quisition of Crump would further strengthen the group's position in the southern and western parts of the US as well as adding to the broking and management strength. To-tal brokerage income would now reach at least \$500m a year. Sedgwick has been negotiating the acquisition since May when Mr

Saul Steinberg chairman of the Reliance Group, Crump's largest share-holder, announced he was disposing of its 36 per cent holding. The sale comes at an opportune time for Reliance, which decided in

July to repay a large proportion of its substantial high-interest debts per cent pre-tax profit rise to its substantial high-interest debts c92.6m and a stated 9 per cent rise by floating 33 per cent of its equity in the total 1986 dividend to 12p. on the stock market. The Reliance on the stock market. The Reliance offering is planned to go ahead within the next few months and is expected to raise upwards of \$400m.

The stock market feels that the price being paid by Sedgwick, at 26 times Crump's historic earnings, is rather high.

Mr Mosselmans pointed out that presence in the largest insurance Sedgwick was buying Crump's market in the world as the main earnings which had shown 60 per cent growth each year from 1981. pansion programme. with 100 per cent growth in the first
Last August Sedgwick became a half of this year over 1985. But he major force with the acquisition of admitted that there would be an in-

James Group, the US's nith largest broker, giving Sedgwick a US retail broking arm for the first time.

This was followed with the 332.5m acquisition of Armistead space being financed from exist-Group last month, which added to ing borrowings.

Lex, Page 14

### GM warns of bleak outlook at **Bedford trucks**

BY KENNETH GOODING IN DETROIT

GENERAL MOTORS is making ficiency and cost cutting proheadway in Western Europe after several years of losses, but the outlook for the Bedford truck subsidiary in the UK is "dark by anybody's standards," according to the

US group. The European operations as a whole recorded a net profit in the first seven months of this year after losses of \$291.1m in 1984 and \$372.1m in 1985, according to Mr Robert Stempel, executive vice president with responsibility for

profitable in 1987, he said. Bedford's net loss for 1985 was losses of that magnitude for much

close, that's for sure." He did not deny that GM might fered by the start-up of Nissan of have to close the truck operations permanently. But he stressed: "We unions about a different approach of the start-up of Nissan of Japan's UK factory to talk to the unions about a different approach." the British Government about a Mr Stempel said the unions' in-merger of Bedford with Leyland itial reaction had been "encourag-

owned Rover Group. GM was looking at the Bedford operations "piece by piece" to see what could be viable. Mr Stempel suggested that Bedford's van production, the military vehicle busigreat deal of contract work for GM in the US, could all be viable.

West Germany's Opel, the key GM subsidiary in Europe, is emerg-ing meanwhile from a three-year ef-

gramme and should produce profits next year. Opel reduced its net loss from the record DM 694m in 1984 to DM 134.5m (\$65.6m) last year.

But Opel's profitability - and that of GM's total European business depended to a great extend on the reception to be given to the new executive car, the Opel Omega/Vauxhall Carlton, and whether the car would meet GM's sales objectives after its launch in the autumn.

At Vauxhall, the UK car subsid-GM's operations outside North Amiary, GM has told trade unions that erica and its overall bus and truck it needed a 25 per cent reduction in business. Europe should also be costs, including cuts in the workforce, to boost productivity.

Despite achieving record sales £73m (\$108m), up from a loss of and market share last year, Vaux-£62.4m in 1984, and Mr Stempel in-hall also sustained a record £47.4m sisted GM could not contemplate net loss, up from a loss of £9.4m in 1984. Mr Stempel said the company longer. The deadlines are coming would lose money again in 1987, GM has taken the opportunity of-

will try every other avenue first." to labour relations at Vauxhall. "We None the less, there was no ques- want to improve productivity by tion of reopening negotiations with changing the way things are done." Trucks, subsidiary of the state ing. They realise we can't continue with the kind of losses Vauxhall has been experiencing." Previous talks on a possible GM

down in March when the British Government said that GM could not ness, which has contracts to 1988, and the engineering operations and proving ground, which are doing a Rover was an essential element in Mr Stempel indicated that Land Rover was an essential element in the deal because it would have been, for the short term at least, a cash generator to offset some of the drain expected initially from both

takeover of Leyland Trucks broke

**Bonn to** stem flow of Third World refugees

By Rupert Comwell in Bonn

WEST GERMANY is to introduce a wide range of measures to reduce the increasingly unmanageable flow into the country of asylum seekers from the Third World. The moves are especially intended to bar access to those who are not genuine political refugees, but who come for purely economic reasons. The measures, presented yester-day by Chancellor Helmut Kohl, were approved on Tuesday night by the Cabinet. They followed new figures showing that a further 9,241 such refugees arrived in the first three weeks of August, suggesting that the full year's total will break all records at over 100,000. The cost

of maintaining them has been esti-mated at DM 2.8bn (\$1.35bn) in 1986 Meanwhile, new clashes between different ethnic groups of asylum seekers have been reported. Fighting during the night between Indians and Iranians at reception homes in Passau, on West Germany's border with Austria left

eight people injured, one of them seriously: Faced with fierce opposition inside and outside his centre-right coalition, Mr Kohl has dropped plans to tighten the liberal asylum provisions of the 1949 constitution. West Germany would remain a sanctuary for those in real political danger. "But," he warned, "it is simply not possible that the Federal

Republic should be a refuge for anyone in economic difficulty."

The steps unveiled yesterday are tailored to that end. Among the most important of them are:

• The extension to nationals of Lebanon, Syria, Ghana, Pakistan and Bangladesh of the obligation to have valid transit visas when passing through West Germany. This is designed to stamp out the frequent practice of disembarking during a stopover in Frankfurt, in order to seek refuge in West Germany. Airlines which transport asylum

seekers without proper papers will be liable to fines of DM 2,000 per sanctions.

 German embassies in the Third World have been instructed to be much stricter in issuing visas. Henceforth, tourist visas for nationals from "problem states" will last for only four weeks, instead of eight weeks as at present

 Qualified staff handling asylum applications will be increased, as will frontier police at entry points into West Germany commonly used by would-be refugees. People caught smuggling them into the

Continued on Page 14

### Leyland and Bedford.

THIS ADVERTISEMENT IS ISSUED IN COMPLIANCE WITH THE REQUIREMENTS OF THE COUNCIL OF THE STOCK EXCHANGE. Application has been made to the Council of The Stock Exchange for the grant of permission for the whole of the issued ordinary share capital of Broad Street Group PLC to be dealt in on the Unlisted Securities Market. A proportion of the shares being placed may be available to the public through the market during market hours today. It is emphasised that no application has been made for these securities to be admitted to listing.

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Italy: The Craxi government Management: putting smiles Poland: A company beats UK trade unions: war with US: contradictions cloud poli- West German economy: big BL/STNESS

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39th August, 1986

Sarah Webb reports on company attachments during parliament's recess

## Swedish MPs take summer jobs

FEW MEMBERS of Parliament can Industry and Parliament Trust. claim to have worked as hotel kitchenhands, chambermaids or shop assistants. But Mr Sven Munke, a Conservative MP in southern Sweden, can put all three on his curricu-

He has worked in the kitchens and guest-rooms of the Grand Hotel in Stockholm and behind the counter at Nordiska Kompaniet (the Swedish equivalent of Harrods) in an effort to learn more about how the nation's businesses operate.

make the best of a short, sharp summer out of doors, an increasing number of MPs and civil servants are discovering the benefits of a dustry have recently been appeal-company attachment during the ing to the Government for a more parliamentary recess.

By the end of this summer, nearly 200 politicians will have worked ment introduced 46 tax changes re-at companies such as Asea, Electrolated to industry, and this makes it Skandinaviska Enskilda Banken and Volvo, meeting the management, union officials and factory Federation of Swedish Industries.

and innustry (or i), and are meant and entrepreneurs are underrepreton narrow the gap between the two sented in the Riksdag. Only 34 per spheres. In this respect, the Swedes cent of Sweden's MPs come from have taken a leaf out of Britain's this sector compared with 61 per book because the assignments are cent of the working population as a modelled on the work of the UK's whole.

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they sit in the Riksdag (parliament) all the time and have no opportunity to meet people in industry," said a Saab-Scania spokesman. Two weeks is a very short time, but at least it allows politicians to learn something about us."

It also gives those working in industry a chance to voice their complaints on such matters as the controversial wage-earner funds, introduced by the Social Democrats in While most Swedes prefer to 1983 with the intention of giving workers an increasing stake in

> Representatives of Swedish intween 1983 and 1985, the Governvery difficult for our members in in-

workers.

The two-week attachments are arranged by the Society for Politics and Industry (SPI), and are meant

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dustry and Parliament Trust. Ms Mona Sahlin, a Social Demo-"The problem with MPs is that crat MP for Stockholm, spent two weeks in 1984 with Ericsson, the telecommunications and electronics group, and will spend two weeks with IBM before returning to parliament in October.

> "It is particularly useful for me because I am very young - I en-tered parliament when I was 24 and before that I had no experience or occupation apart from working as a secretary.

are very important for Sweden's future. At Ericsson, I talked to the leading management and trade unions. I chose to go to IBM this year so that I could see a foreign company doing the same sort of things as Ericsson and compare the management and training," she

Other MPs choose to learn more about companies which are the main employers in their constituencies. "If I'm to be a good politician, I need to meet my voters, and about 2,000 of them work for Bahco in Enkoeping," said Mr Mats Karlsson, a Social Democrat MP for the area. He is spending six weeks this summer with the company's ventilation

He says he will return to parliament with fresh ideas about the ed- At the hotel, I did."

has met at Bahco suggested that pupils should take some of their lessons and practical course work inside a company in future.

The SPI claims that MPs of every political persuasion are well represented on the attachments. However, the pharmaceuticals and biotechnology group Pharmacia, which has played host to eight MPs and civil servants since 1980, would like to meet more of the ruling Social

"We feel that the Social Democrats are more interested in visiting companies with lots of blue-collar workers," said Mr Ola Carlsson. who liaises between the company and its parliamentary visitors. "Here at Pharmacia, we have mostly white-collar workers."

The attachment schemes have proved popular, with many of the participants making it something of an annual event, although they are not paid extra for the work sometimes have to use a bit of el-

"It's very hard work cleaning rooms and making beds," said Mr Munke, referring to his spell at the Grand Hotel, "but I find when I'm in the Riksdag all winter, I don't have time to meet ordinary people.

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#### | Poor exports | Italians linked to Romanian reshuffle

By Leslie Colltt in Berlin

A RESHUFFLE of key cabinet ministers in Romania appears to be linked with poor performance in exports and with a bid to renegotiate part of Romania's S6.6bn Western debt.

Mr Ilie Vaduva, Romania's Foreign Minister who took office last November, is to replace Mr Vasile Pungan, Foreign Trade Minister. Mr Petre Gigea, Finance Minister, was replaced by Mr Alexander Babe.

Romanian foreign trade rose by only 0.6 per cent last year and by 4.7 per cent in the last five-year plan compared with a 12 per cent target. stagnated with the country earning a S2bn surplus in hard currency -S500m less than in 1984. Buchares recently called on its Western commercial bank creditors to resche-dule \$880m debt due this year and next as a result of a rundown in its

Romanian cabinet ministers rare ly hold the same post for more than two years and are frequently reshuffled before they are able to grasp the essentials of their work. Mr Vaduva has an economics background and was previously a professor at the Academy of Economic Studies. It was not immediately known where Mr Pungan will be moved. The new Finance Minister, Mr Babe, is an unknown quantity according to Western diplomats in Bucharest,

The new Romanian Foreign Min-ister, Mr Ian Totu, was a Deputy Prime Minister who represented Romania in Comecon and was responsible for concluding recent long-term economic agreements with Moscow.

Mr Totu and Mr Ion Nocolae were replaced as Deputy Prime Ministers by Mr Cornel Pacoste and Mr Dimitrie Ancuta, who was previously an economic adviser to Mr Nicolae Ceausescu, the Romani-

#### Nato proposal on European troop arrivals

By Our Stockholm

THE NATO countries have said that they are willing to agree to the notification of troop arrivals in Eu-

The suggestion came at a working group meeting of the European Security Conference in Stockholm US and Canadian troops in Europe to participate in military exercises. The Nato announcement was greeted as "a very positive step" by the Soviet delegation in the resolu-tion of the issue of notification of troop movements. Warsaw Pact countries have been

pressing for a list of notifiable movements, including the arrival of transfer troops in Europe, whereas Nato's stance since the beginning of the conference has been that such troops should not be notified because they are not stationed in Eu-

#### Madrid to rule on lay-offs at Rio Tinto mine By David White in Madrid

A SIMMERING conflict at the partly British-owned Rio Tinto copper mining complex in south-west Spain is awaiting a final government verdict on whether to allow the company to go ahead with a lay-off plan affecting more than 1,300 workers.

workers. workers.
The company, Rio Tinto Minera, which is 49 per cent owned by Rio Tinto Zinc, has appealed against an initial decision, made on advice from the Socialist regional government, to block the lay-offs.

Labour authorities last week hurned down the plan for such

turned down the plan for suspending 1,100 workers at the mine in Huelva province and a further 200 at another mine in La Coruna province in north-west Spain, and said the com-pany should first restore "norm-ality" by restarting produc-tion, which it stopped just over a month ago.

The Labour Ministry, which is under considerable political pressure after a series of pro-tests in the region, is due to reply to the appeal within a fortnight.

The company said it proposed to suspend the workers—about half its total workforce — for 18 months because of the depressed world price for copper and the low concentration of mineral at the Rio Tinto mine. Its losses of Pta 1.18bn (£6m) last year increased to about Pta 2bn in the first half of this Pta 2bn in the first nair or this year, and a similar loss could be expected in the second half if it resumed prouction.

It said it was studying a viability plan to be negotiated with unions and government

authorities, and was meanwhile waiting to see if prices re-covered. It was not, however, down of the mine for the time

being.
Rio Tinto Zinc last year invested \$23m in a similar stake in a new copper pyrites venture in Portugal.

### set about drafting a budget

By John Wyles in Rome

THE NEW Italian Government pasted together amid considerable recriminations earlier this month, will today confront its main task of drafting a budget and finance bill

Although Prime Minister Mr Bettino Craxi has set a number of ambitious objectives for his second consecutive administration, agreeing a budget and then piloting it through Parliament could soak up most of the Government's energy and certainly test its cohesion during its projected seven-month term. Mr Craxi's is the first post-war Italian Government to have been set up with the participating parties agreeing in advance when it should

This was the price exacted by the Christian Democrats, the dominant member of the five-party coalition for allowing Mr Craxi to hold on for a little longer to the power and position which he has enjoyed for a post-war record of more than three

The intricate and confusing polit ical crisis which began with a parliamentary defeat and the resigna-tion of Mr Craxi's first Government at the end of June was only settled five weeks later when the Socialist leader agreed to step down by the end of next March and to hand over the premiership to a Christian Democrat - most likely to be Mr Giulio Andreotti, the Foreign Minis ter and a permanent ingredient of Italian governments for more than

30 years.
Today's Council of Ministers meeting will consider a set of budget options prepared by Mr Giovan-ni Goria, the bearded 43-year-old Christian Democrat, which continue the efforts of the first Craxi Government over the last three years to reduce the Government's huge pub-lic-sector deficit and borrowing re-

The aim will be to reach decisions before the end of September and then to submit a bill for parliamentary debate and, inevitably, amendment so that the budget can be adopted by the end of the year. But the only certainty is that Mr Goria's proposals will not survive intact. In the wake of widely publicised reports of his suggestions of higher transport fares and prescription payments, means-testing of social

henefits and increased social security contributions by employers, cries of pain have been echoing throughout the land from the var ious interest groups affected.

Already members of most of the

coalition parties have started to pick public holes in the proposals. Mr Craxi thought it necessary last weekend to issue a statement reas suring critics that nothing had yet been decided by the Government after the two largest trade union groups, the CIGL and CISL, had muttered darkly about a possible general strike. Meanwhile the confindustria, the employers' organisa-tion, has accused Mr Goria of seek-ing to add to employers' costs in a way which will discourage investment and new employment.

At the same time the proposals are being lambasted by the main opposition Communist Party for the absence of any strategy for bringing down the 11 per cent unemploy-ment rate - a charge echoed from within Mr Craxi's own Socialist

Party.
With the economy heading for 3-3.5 per cent growth this year and enjoying falling energy prices as well as a much reduced balance of payments deficit, Mr Goria is finding it much more difficult to pit continning austerity against the politi-cal attractions of loosening the belt. His basic aim is a borrowing requirement of L100,000bn (\$71bn) for 1987 which would come in at 12.2 per cent of gross national product compared with an expected requirement of 14.2 per cent of gross national product this year.

To achieve this the Treasury Minister is avoiding any new taxes but is looking for cuts of 15,400hn in gurrent and capital spending He

current and capital spending. He expects a higher tax yield to bring in a balancing IA.100bn which he says will bring the borrowing re-

### French may quit Lebanon force

BY DAVID HOUSEGO IN PARIS

THE FRENCH Government yesterday appeared to be pre-paring to withdraw the French contingent from the UN peacekeeping force in the Lebanon. Confirmation that the Govern-Confirmation that the Government was moving in this direction came with the disclosure define the force's role "other that a French navel landing wise it would be absurd conheading for the Mediterranean. The withdrawal of the 1,400 French contingent from the UN force (Unifil) set up in 1978 to police the ceasefire with Israel would spell its end as France provides almost a quarter of the troops. However, Mr Jean-Bernard Raimond, the French Foreign Minister, ruled out any unilateral withdrawal—coupled in French eyes with the

French troops by Moslem militias. The French bays had ten soldiers killed: and numerous wounded while on duty with the UN force:

Dilly

craft the "Ouragen" had been ditions being what they are, to recalled from planned manoeumaintain these soldiers vies in the Atlantic and was and especially the French."

He has long been known as a partisan for pulling out the French troops whom he considers vulnerable to reprisely by Moslem extremists and who complicate negotiations over the release of the French houseses

President Francols Mitter-rand, however, has favoured maintaining a French presence

coupled in French eyes with the ignominious pullout of US in Lebanon.

The Prime Minister is due to address the UN at its opening serious from Mr Jacques Chirac, the Prime Minister.

The Prime Minister is due to address the UN at its opening session. But both his speech on Tuesday from Mr Jacques Chirac, the Prime Minister.

They were prompted by the continued harassment of before then.

#### **East Germany to restore** party links with China

EAST GERMANY is expected to become the first Warsaw Pact country to restore relations with the Chinese Communist Party during a forthcoming visit to Peking by the East German leader, Mr Erich Honecker. Links between parties are more important in relations between Communist countries than governmental ties.

The East German news agency said Mr Honecker would pay an official visit to Paking in the latter part of October at the invitation of the Chinese Communist leader, Hu Yaobang and the President, Li Xiannian. He will also visit North Korea and Outer Mongolia. East European diplomats in

East Berlin said ties between the Communist parties of China the Communist parties of China and East Germany would be restored aft a break of more than 20 years following the breach of relations between Moscow and Peking. Moscow, they noted, gave its approval to the resumption of party links by

vakia and Bulgaria were ex-pected to follow suit. Romania was the only Warsaw Pact member which maintained party

relations with the Chinese.

China has frequently said in the past that it was prepared to have relations "on all levels" with the East European countries but not with the Soviet Union The Chinese position has apparently not changed, despite a concillatory speech directed at Peking last July by Mr Mikhail Gorbachev when he visited Vladivostock.

Since then, it has become apparent that Moscow no longer insists on making Eastern Europe's Communist party relations with China dependent on its own. The Chinese welcomed Mr Gorbachev's proposals to improve relations but said they were still inadequate.

Trade betwen China and the Comecon countries rose by 70 per cent last year to \$3.5bn. It is conducted on a barter basis using the Swiss franc as a comparative currency. This suits both the Chinese and members of Comecon when we share the ooth the Chinese and members of Comecon who are short of bard currency. Sino-Soviet trade last year reached \$1.9hn which sumed relations, they said. Hungary, Poland, Czechoslo- in 1959.

#### Top Moscow officials see no progress over summit

SENIOR SOVIET officials said yesterday there had still been no real progress towards a superpower summit and charged US officials with falsifying the issue, Reuter reports from Macross Macro

from Moscow.

Mr Georgy Arbatov, the Kremlin's top adviser on the United States, was asked at a news conference about optimis-tic statements from the US Administration about a meeting this year between President Ronald Reagan and Mr Mikhail

Ronaud Reagans and Gorbachev.

"It's a conscientious falsification . . . as I understand it," he said. "Nothing has changed major factors and the two major factors remain (unsolved)." These were an improvement in the political atmosphere and con-crete progress on arms control. However, Mr Arbatov added that he detected a hint of change in US political thinking. Washington officials said yesterday that intensifying contacts between the superpowers appeared to be leading towards a summit this year.

Mr Arbatov, Mr Valentin Palin, the Novosti news agency chief, and Mr Gennady Gerasi-mov, the Foreign Ministry spokesman, all painted a bleak picture of the state of relations,

Their complaints centred on Mr Reagan's refusal to join a year-old Soviet nuclear test moratorium, extended last week, his plans to cease observing the Solt S. ing the Salt 2 arms treaty this year and the Star Wars defence

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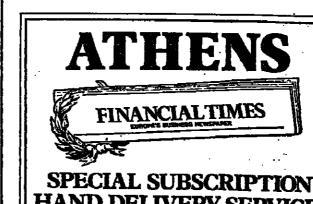
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### equity plan for Third World

By Nancy Dunne in Washington

THE International Finance Corporation, the arm of the World Bank promoting private enterprise ventures, announced enterprise ventures, announced yesterday it is to launch a service providing total guarantees for equity invest-ments in developing countries.

The IFC service, called Guaranteed Recovery of Investment Principal (Grip), seeks to reverse declining equity investment in the Third World. Sir William Ryrie, chief executive of the corporation, said the gustantees would remove all risk of capital loss, a primary concern among US, European and Japanese investors.

Although it may be some nonths before IFC announces its first Grip project, Sir William and other IFC officials said several banks, large com-panies and financial institutions had been contacted and had ex-pressed interest in what will, in effect, be a new financial instrument.

Under a Grip programme, an Under a Grip programme, an investor will deposit funds with the IFC for a specific zcoject and a specified time. The investor will receive a US dollar debt instrument, backed by the IFC, set to mature on a certain date and transferable.

is to regg

ith China

The IFC will make and manage the investment after charging a minimal front-end fee to cover costs. Dividends and capital gains — which are not guaranteed — would be shared by IFC and the investor in agreed proportions agreed proportions.

The programme is not likely to be considered for investments worth less than \$5m, Sir William said. Because it does not like to tie up its funds, the IFC rarely takes on an equity investment of more than \$30m, but under the new scheme a Grip could go up to \$100m. Additional funding will be raised through parallel or co-

When a Grip investment matures, an investor has three options: withdrawing capital from the project, extending the agreement, or taking over the investment as the shareholder.

Mr Emmanuel Gonzalez, an IFC official, said the Corporation was also developing a similar instrument to combat similar instrument to combat finance, insurance and stock of GNP, is doing a great deal trading. Non-financial productivity fell by 2.3 per cent at an tivity rose at a rate of 2.2 per to nationals living abroad. to nationals living abroad.

### IFC to back | Conflicting statements make Washington's attitudes hard to fathom, reports Reginald Dale|

### Contradictions cloud US policy on Libya

The Washington Post quoted "informed sources" as saying that the Administration was waging a war of nerves against Col Muammer Gadaffi, the Lib van leader, "to scare him into an irrational reaction."

Taking a quite different tack, the New York Times said that Administration officials were now concerned that speculation about new Libyan acts of terrorism "had got out of hand." The speculation had, of course, been fuelled by other anonymous Administration officials earlier in the week.

earlier in the week.

The widely varying newspaper accounts and contradictory statements by officials, all unnamed, were typical of the Washington machine at a time when people in different departments, and at differing on the political space. points on the political spec-trum, all compete to influence the policy-making process.

Anonymous leaks and in-nuendo are the main weapons. The newspapers join in the game with a competitive zest for front page stories—particu-larly in the slow month of August—when a healthy dose of journalistic scepticism might help to keep things in clearer

CONFLICTING pronouncements by unnamed Administration officials yesterday with a front page article in the Wall Street Journal claiming that the US and Libya were US policy towards Libya that the US and Libya were us policy towards Libya that the US and Libya were us policy towards Libya that the US and Libya were once again." It quoted one senior US official as claiming that the Libyans had forgotten the raid, and another as saying that Col Gadaffi "seems to have gone off his rocker again." Yesterday, the Washington Post said that the Wall Street

Post said that the Wall Street Journal story had been inspired by staff members of the National Security Council, where the "scare Gadaffi" plot had been hatched. The aim, said the Post, quoting "a knowledgeable source," was to frighten Coi Gadaffi into reacting and "to embedden possible. ing and "to embolden possible opponents in Libya into

in this light, senior Administration officials were pleased with the alarmist reactions of the Soviet Union and Libya to the long-planned joint US-Egyptian military manoeuvres in the Mediterranean this week. "US news reports of the forth-coming European trip of UN Ambassador Vernon Walters, which also was planned well in advance, have helped to create an impression that new US actions against Libya are likely," the Post said.

Not quite so. said the New York Times. The Administra-

tion was actually worried that speculation stirred up this week might undercut Mr Walters's



Col Muammer Gadaffi (left) and Mr Vernon Walters.

efforts to persuade European governments to impose new sanctions against Libya, He might be unable to produce proof of the planned Libyan terrorist activities, for which US officials have vaguely said they have "evidence" or "in-dications" this week. While officials in other

departments, including the White House, have been stoking up the story, the Pentagon, which would have to carry out any action against Libya, has

been constantly trying to play it down. The US-Egyptian manoeuvres are strictly routine and there is no plan to strike Libya, the Pentagon says. Alle-gations that Col Gadaffi is about to launch a new round of ter-rorist attacks are "disinforma-

rorist attacks are "disinformation," according to one of the daily.
Post's presumably military that a "sources."

What is clear is that it remains US policy to retaliate if from the behind further terrorist tives.

been contingency plans for such action; and that some people in the Administration would like the Administration would like to have another go at him. Some would even like to needle him into doing something that would justify such retaliation. With both President Ronald Reagan and Mr George Shultz, the Secretary of State, on holiday in California, the field is wide open to lower level officials who want to promote confrontention. It may serve the cials who want to promote con-frontation. It may serve the Administration's purpose of keeping Col Gadaffi guessing about US intentions, in the same way that Washington con-stantly tries to bemuse Presi-dent Daniel Ortega of Nicara-

gua.

It may also be intended to suggest to the allies that the US may attack Libya again if they do not agree to new sanctions. But with Mr Walters due to arrive in Europe in the next few days, the allies seem to be just as perplexed as everyone else—although they have the uncomfortable memory that it was Mr Walters who brought word of the bombing raid last April, and lined up Mrs Thatcher's support.

Reuter reports from Moscow: The Soviet Communist Party daily. Pravda, said yesterday that a US naval build-up off the Libyan coast was being used by Washington to divert attention from its rejection of recent Kremlin arms control initia-



SCORES of survivors of Cameroon's toxic gas explo-sion, in which at least 1,500 people were killed, trekked home on dirt roads yesterday in spite of warnings that food and water in the disaster area were still contaminated, Reuter reports. "We cannot keep people away," said General James lataw, who is leading the disaster effort.
"The villagers want to guard

Cameroon troops (above) wearing bandanas across their faces against the stench of death, were sent into the area to bury thousands of asphyxiated cattle amid fears the fly-infested carcasses could cause an epidemic. One survivor said he woke gasping for breath but saved himself by crawling into an outer kitchen where the gas did not reach him.

### Israelis strengthen influence in Africa

The news of the underground gas leak was coming in just as Mr Shimon Peres, the Israeli Prime Minister, was about to set off on his visit to the West African nation. The visit was designed to mark the restora-tion of diplomatic ties broken after the 1973 Middle East war. It was the first by an Israeli Prime Minister to a black African country for 20 years. As it happened, the Israeli leader was able to turn ad-

versity to advantage; Israel was the first member of the inter-national community to respond, in practical terms, to the tragedy, when Mr Peres assembled a medical team to travel with him. It was a golden opportunity to demonstrate to opportunity to demonstrate to other African countries the kind of down-to-earth help which Israel had always prided itself on supplying in the past.

Slowly but surely, Israel appears to be gaining the upper hand in the undeclared war it has been waging since 1973 with

has been waging since 1973 with the Arab world for influence in the newly independent African countries.

THIS WEEK'S tragedy in African countries: Cameroon, THIS WEEK'S tragedy in Cameroon, in which an estimated 1,500 people died from the effects of toxic gases, might have resulted in an unfortunate setback for Israeli foreign policy.

African countries, Cameroon, Malawi, Lesotho and Swaziland. Interest sections operate in Kenya, Togo, Ghana and Gabon, and hopes are high that relations will soon be restored with Canagal Senegal.

Israel has also built export trade worth \$100m in 1985 to black African countries, despatching technical aid ex-perts to a dozen countries. Economic links with two of the most important, Kenya and Nigeria, are extensive.

Zaire, Chad, Gabon and the Central African Republic are all believed to be customers of the flourishing, but never publicly acknowledged, Israeli arms export business, and even Marxist Ethiopia, ostensibly an arch opponent, is believed to have received Israeli weapons.

Security and intelligence assistance is another murky area. Zaire's President Mr Mobuto Sese Seko and General Samuel Doe, leader of Liberia,

are reported to have been among the beneficiaries of Israeli expertise.

Two factors have contributed to the rapprochement: the decline in Arab oil earnings and therefore financial muscle; and Israel slowly distancing itself from South Africa, a close It now has formal diplomatic strategic ally in the years after relation with seven black 1973

#### **US** business productivity falls in second quarter

BY ANATOLE KALETSKY IN NEW YORK

ter of this year, the Labour productivity decline reflected a Department reported yesterday, 3 per cent decrease in output revising sharply downwards pre- and an 0.7 per cent decrease in liminary figures it issued a month ago. The poorer produc-tivity performance reflected a large downgrading of the original estimates of non-farm output and a slight increase in the number of hours worked in the second quarter.

Productivity was even weaker in the non-financial corporate sector, which excludes unincorporated businesses and com-panies engaged in banking,

PRODUCTIVITY in US business ter, after declining by 0.5 per declined by 0.3 per cent at an cent in the first three months annual rate in the second quarter of the year. The second quarter and the productivity decline reflected a

Taken together, the produc tivity measures for the last three quarters suggest that the non-financial business sector, which accounts for 59 per cent of the US Gross National Product, is still going through its worst period of productivity deterioration since the end of the 1982 recession. The manufacturing sector which accounts for 24 per cent

#### Mexican police charged over alleged torture

ELEVEN Mexican policemen have been charged in the alleged beating and torture of a US narcotics agent in the western city of Guardalajara, AP reports from Mexico

The Attorney General's office said the Jalisco state policemen were charged with politemen were enarged with abuse of authority and inflicting injuries on Victor Dortez Jr. a US Drug Enforcement Administration (DEA) agent, after he was taken into custody on August 13.

The US lodged a diplomatic protect aminer Maying allog.

protest against Mexico, alleg-ing that Cortez was subjected unprovoked, brutal and criminal acts"
The DEA said he was

and given electric

#### **Bolivia to cut back state** sector mining operations

THE BOLIVIAN government has announced it is cutting back operations at the state-owned mine holding company, Reuter pany, whose operations mainly involve tin mining but also a few lead and silver deposits. The company lost \$246m (£165.8m) reports from Patacamaya. Miners' leaders said the move last year with the collapse of the world tin price.

Leaders of the miners' Comwould mean the loss of thousmunist-led union said the gov-ernment decree would lead to ands of jobs.

The Government said the lossridden company, Corporacion Minera de Bolivia (COMIBOL), would close two of its 24 mines and lease out nine others, preferably to workers' co-operatives.

The plan was quickly rejected by union leaders heading a protest march by some 5,000 miners across the barren Andean plateau towards the capital, La Paz,

national mining union, said the mining plan would tear apart the com- sector.

company and publicise this de-mand when their protest march reached La Paz. They plan to stage a mass hunger strike in churches and schools when they reach the capital.

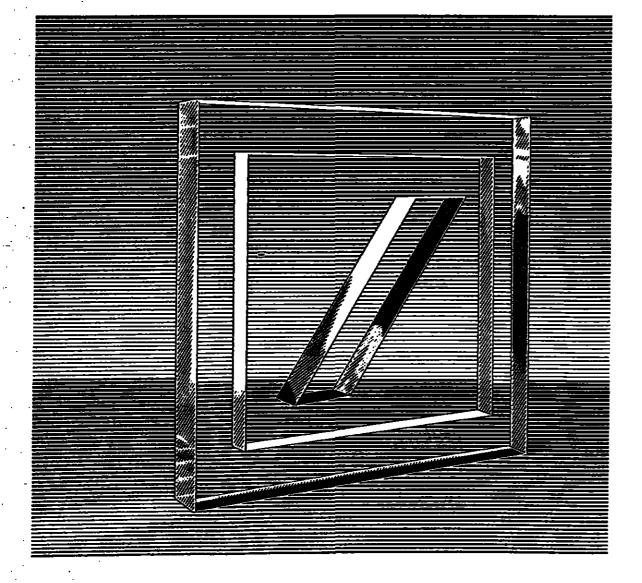
The protest was sparked by

the dismissal of nearly a quarter of COMTBOL's 21,000 workers.

ment, they said the union would press for total control of the

In response to the announce

miners' fears that the Govern-Mr Simon Reyes, head of the ment might turn over the state



### 1985. The Year In Review.

A Record Year For Deutsche Bank, Net income of Deutsche Bank Group increased to \$ 447 m., a rise of more than 63% over 1984 and the Group's largest profit ever. Group shareholders' equity was increased by \$690 m. to \$3.8 bn. The bank's capital ratio is now at its highest level since 1957.

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Anthony Robinson on how tension passed breaking point in a South African township

### Rents spark explosion of violence in Soweto

resentment over the handling of black education and fears of eviction from homes for non-payment of rent lie behind the letest explosion of violence in Soweto, an explosion which the authorities feared might hap-pen on June 16, the 10th annipen on June 16, the 10th anniversary of the Soweto rising, and which has been only delayed by imposition of the state of emergency.

Soweto is only one, albeit the biggest, of at least 38 black townships around the country where an estimated 200,000 black households are refusing to pay rent and service charges to black local authorities. According to the Community Research Group of Witwalersrand University, local authorities are losing an estimated R30m (27.7m) a month and in some townships, like Sebokeng

scme townships, like Sebokeng and Evaton and Sharpeville on the East Rand no rents have been paid since September 1984.

Rents are the main source of income for the black local councils set up in 1983 and significantly it was the decision to raise rents without prior consultation in September 1984, at precisely the time when thousands of black workers were being laid off as the reces-

mining and industrial conglo-

merate which stands to lose heavily from sanctions against

South African mineral exports, yesterday attacked Australia and Canada for their "duplicitous and cynical morality " in supporting sanctions.

"Since it is well known that there are international surpluses of coal, steel, iron and uranium, and these are

areas in which Australia and

BY CARLA RAPOPORT IN TOKYO

African mineral exports,

BY ANTHONY ROBINSON IN JOHANNESBURG

of the Anglo American Corporation, South Africa's largest
tion, South Africa's largest
tion, South Africa's largest
tions and industrial conglo-

Japanese railway posts

record loss of Y1,848bn

THE JAPANESE National Railways (JNR) has proved once
gain that Japan's muchadmired efficiency does not
apply to running the nation's
railroads.

THE JAPANESE National Railworkforce are making the task
difficult. It is estimated that
between 60,000 and 80,000
workers must be cut from the
current 300,000-strong work-

The government-owned rail- force if JNR is to run efficiently

way yesterday registered a gain.
record loss of Y1,847.8bn (£8bn) in fiscal 1985, nearly Y200bn up on the year before.
This bring's JNR's cumulative losses to Y14,121bn and its long-term debt to Y23,561bn.
The Government plans to privatise the loss-making rail-road next year. However, the Since if JNR is to run emclently again.
Since 1964, JNR's share of passengers and freight has been yesterday's figures show that JNR's bullet train, the Shinkansen, produced a profit of y230bn last year, but other passenger services lost y1,160bn.



in which the Government, through the councils, is threatening to evict non-payers while groups of radical youths are threatening those who do pay with the firebombing of their houses and death by flaming tyre around the neck. precisely the time when thousands of black workers were being laid off as the recession hit, that sparked off the cycle of violence which two states of emergency have smothered but not ended.

The rent boycott, called by black community organisations linked to the umbrella United Democratic Front (UDF) is aimed not only at seeking rent reductions and improved services but also at bringing pressure on the authorities to In an attempt to provide the

It was also no accident that countries which stood to lose little or nothing through sanctions had become their

keenest advocates while in countries which did have a stake in the economic health of South Africa, and where sanctions might result in direct

losses, protectionist lobbies were pushed forward instead.

Canada are in direct competition with South Africa, the South African British Trade exports. "Whole towns like ban moral ease with which these Association, said there was little Richards Bay, Saldanha Bay, tice." Mr Relly, in a speech to the

MR GAVIN RELLY, chairman countries have found themselves chance that Mr Bob Hawke, the Witbank. Middleburg

South Africa's trade surplus widened to R980m (£255m) in July this year from R940m a year earlier, but harrowed from the R1.21hn surplus recorded in June this year, the customs and excise office said yesterday, AP reports.

Exports in July rose to R3.84bn from R2.80bn a year earlier, while imports earlier, while imports increased to R2.85bn from

Anthony Robinson adds: the latest economic forecast from the bureau for economic

supporting wider demands for are being collected more or the release of jailed leaders and black/white political negotiations.

It has led to a battle of wills over 2m people live, squeezed in which the Government, through the councils, is threat-state that threat of grieflong given the threat of evictions ever present

present.

It was precisely in these poorest areas of Soweto like White City and Jabavu that the violence erupted on Monday night after the hated "black-jacks" poorly trained and illeducated municipal police recruited mainly from the black homelands. had renortedly

sure on the authorities to In some of the better-off evicted in the whole of Soweto remove troops and police from areas of Soweto like Orlando, that day, in a neighbouring

promise the return of the former South African coal

market and the jobs which depend on them once apartheld

has expired or share any of the

proceeds with blacks "over the many years that sanctions may

He estimated that 130,000 jobs, of which 100,000 were held by blacks, would be lost if the EEC, Japan, the US and

imposed sanctions on mineral

welfare system, Reuter reports from Kuwait. The introduction of taxes, which only foreign

companies pay at present, has

Mr Jassim al-Khorafi, the

Finance Minister, said this week that Kuwait "will not be

able to continue the policy of

aree services as its used to . . . (and) is studying now the possibility of imposing some symbolic fees on some

free services as its used to

His remarks to

also been suggested.

symbolic services."

Australian Prime Minister, or Newcastle could become indus-any of his successors would trial wastelands," he said.

EEC, Japan, the US and cessfully imposed, said Mr the Commonwealth countries Relly, although he added: "I

"Whole towns like ban will be imposed in prac-

research at the University of Stellenbosch reports that consumer confidence has declined and the economy is in the grip of a Catch 22 offerties.

situation.

The re-introduction of the state of emergency, continuing political violence, an economic package described as "too little too late" by the media and increasing international pressure for the imposition of further sanctions has played a major role in influencing the perceptions of consumers, it said.

area called Jahulani. paper by the director of housing who said solution of the 11 week rent boycott lies in eviction of recalcitrants, led to Monday night's protest meeting in White City. As it took place barricades of flaming tyres, cars and junk were built across the streets to prevent police entering the area.

ing the area.
As fighting continued throughout the night, groups of young "remeals" went from door to door urging residents to take part and in the morning a large crowd marched to the council offices to demand an end to evictions and lower rents.

Word on the township grapevine that evictions were immi-nent confirmed yesterday morn-ing by a singularly ill-timed interview in the Sowetan news-paper by the director of housing

According to black eye-witnesses it was after the swelling crowd was dispersed

trial wastelands," he said.

The multiplier effect through

the impact on the electricity corporation Escon, the nation-

corporation Escom, the nationalised transport corporation. Sats and other parastatal, private and public companies could lead to total job losses conservatively estimated at 300,000. Including dependents, some 2m people could be affected if sanctions were successfully improved said Me-

am not suggesting that a total

KUWAIT, FORCED into severe reporters came after the budget cuts by the oil price Cabinet last Sunday approved crash, is considering charging a budget envisaging a 38.6 per symbolic "fees for services offered free under its model in the 1986-87 year ending welfare system, Reuter reports

June 30, with a 40 per cent system, of which he gave no from Kuwait. The introduction of the suggests that a tax system, of which he gave no details, would net 400m Kuwaiti

It projected a nominal deficit

of \$4.57bn, double that budgeted for 1985-86, after cutting spending by 11 per cent and topping up a savings fund for future generations.

The state provides free health

and education, while staple foods, electricity, water, petrol, public transport, household fuels and telephone services are heavily subsidised. Earlier this month Mr Mohammed

plunge in oil income.

have been one of the main targets of township wrath for

the last two years.

Although the eviction issue appears to have been the spark which set off the latest violent which set off the latest violent clashes with the security forces tension has also been running high in the township schools. Anger rose further after the fatal shooting of a black student and the wounding of eight more on Monday when police fired on a crowd of 500 protesting schoolchildren at a Soweto high school Police said they onened fire after the they opened fire after the crowd stoned a passing car with four white plain clothes police-

en in it. Nationwide over 300,000 black schoolchildren, nearly 20 per cent of the total, have been denied access to classrooms during the new school year for refusing to enrol under tight refusing to enrol under tight new security rules. The rules have placed armed soldiers in many schools and forced students to wear identity discs rejected by many as a new version of the hated pess laws, abolished two months ago.

Schools in Soweto and many other townships have been mounting a sporadic boycott campaign since schools re-opened three weeks ago and holding clandestine "alternative education" courses on black

education" courses on black history and politics instead of attending formal lessons. The combination of school unrest and boycotts, threatened evictions and the heavy presence of armoured cars and swelling crowd was dispersed armed police and troops since by teargas that groups ran off the state of emergency has to attack the homes of once again raised tensions to community councillors, who breaking point.

#### Anglo American chief hits at sanctions supporters dump was still burning out of control late yesterday, wes-tern diplomats said.

Christian politicians and militia leaders, welcoming Mr Karami's peace moves, yester-day called for an immediate

China will abelish its parallel currency, called foreign exchange certificates (FECs), on November 1, according to a pro Peking newspaper quoted by Renter. Kuwait considers imposing taxes

years after they were introyears after they were introduced for use primarily by foreigners. Chinese and foreign businesses like to be paid in FECs as, unlike remainbi, they can be exchanged for foreign currency. A lively blackwarket rency. A lively blackmarket in the certificates has sprung up in recent years.

#### Hong Kong's visible trade surplus declines

Hong Kong's visible trade surplus in July narrowed to HK\$674m (£58m) from HK\$1.63hm a year earlier, inspite of strong improvements in the territory's export and re-export trades, AP reports from Hong Kong.

The Government said domestic exports were up 23.3 per cent from a year earlier to HK\$14.27bm. to HK\$14.27bu, while re-exports — goods assembled in Hong Kong of components made elsewhere — rose 18.5 per cent to HK\$10.56bu. Total exports, of which domestic exports accounted for 57.5 per cent were up 15.4 per cent to HK\$68.18bu. HK\$14.27bo. The Government described

the increases as further evid-ence that a recovery in Hong Kong's export trade, which slumped in 1985, is gathering

The exports improve was more than countered by a 28.1 per cant increase in imports, which amounted to HK\$24.16bn.

Afghan explosions A large amutantion dump exploded and a series of inge-blasts ripped through the Aghan capital of Rabul carly yesterday, AP reports from Islamahad. Numerous casual-ties were feared after the susties were feared after the suspected guerrilla aftack.
The dump for the Afghan Army's 8th division in the Qarga lake area blew up after a series of blasts late on Tuesday night. The blasts and explosions continued for more than five hours and the dump was still terreture and the

Lebanon peace talks Lebanese cabinet ministers will meet next Tuesday to start a new Moslem-Christian dialogue in efforts to end Lebanon's decade-old civil war, Prime Minister Rachid Karami, said yesterday, Reuter reports from Beirut.

China currency move

The Wen Wei Po said the Bank of China would stop issuing FECs in October, six

Hindus arrested Indian police arrested at least 806 Hindus in different parts of western Ahmedabad City yesterday to prevent sectorian clashes during a major Hindu restival, AP reports from New Delhi.

### Jailed Malaysian offers to quit as party leader

His resignation was announced by Mr Lee Kim Sai,

the MCA secretary general, who said the party's central committee would meet tomorrow to consider the matter. The party is expected to accept Mr Tan's resignation.
MCA leaders have begun distancing themselves from him

tancing themselves from him recently, in spite of strong statements of support they expressed when he was arrested last January in connection with the collapse of Pan-Electric Industries, the Singapore marine salvage, engineering and hotel group.

Mr Tan, 45, became president of the MCA last November after an 18-month power struggle, and his resignation could spark off another bitter contest. This is something the party can ill afford, as it was humiliated at the recent general elections, when Chinese voters deserted and voted for the ouposition Democratic Action Party.

the opposit Action Party. Although Dr Ling Liong Sik, the deal.

MR TAN KOON SWAN, the prominent Malaysian businessman and politician, who was this week latted by the Singapore High Court for abetment in criminal breach of trust, yesterday offered his resignation as president of the Malaysian Chinese Association (MCA), the largest Chinese political party in Malaysia.

His resignation was annewed by Wr Lee Kim Sai. stock market manipulation of Pan Electric and other com-Pan Electric and other com-panies under his control.

He is appealing against the jail term, but legal experts say it is unlikely the Singapore Supreme Court will vary the sentence. The Supreme Court will hear his appeal against refusal for bail on Monday.

Meanwhile Malaysian finan-Meanwhile, Malaysian finan-cial circles say the sentence could upset Mr Tan's agreement with the five Singapore brokers

over forward share purchase contracts he had agreed to take over from Pan Electric.
The deal involves Mr Tan
guaranteeing the brokers a
certain price for shares in his
companies, Grand United Holdings (GUH) and Supreme Corporation, whose suspension are to be lifted to allow trading. With Mr Tan in fail, it is doubtful whether GUH and Supreme can be traded, and if so, whether their share prices can reach levels anticipated in

#### Asean economic ministers lay groundwork for summit

BY SAMUEL SENOREN IN MANILA

ECONOMIC ministers from the funded in their currencies in-The summit may lead to the organisation of an Asean evanment may lead to the organisation of an Asean evanment market and, as an initial step, the Philippines, which is hosting the summit, is to push for the adoption of an Asean currency plan to the economic for the adoption of an Asean ministers during the meeting which ends on Saturday.

I set the Comment which are a set of the Asean set of t

six countries in the Association stead of US dollars. The currences in-of South East Asian Nations stead of US dollars. The cur-of South East Asian Nations rency union scheme will allow (Asean) are meeting for three currencies of the Philippines, lay in Manila starting today to Indonesia, Singapore, Malaysia, lay the groundwork for the Thailand and Brunei to be third Asean summit next year, freely circulated within the

Last week, the Government Mrs Aquino believes Asean of President Corazon Aquino has not done enough in foster-emborised trade transactions ing trade and economic coopera-with Asean partners to be tion among members.

#### Indonesia's real economic growth slows to 1.9%

BY MICHAEL BYRNES IN JAKARTA

year, according to first official hardest from January. partly the result of a fall in the prices of oil, tin and other

REAL ECONOMIC growth in expected to decline further Indonesia fell from 6.1 per cent because of the collapse of in 1984 to only 1.9 per cent last world oil prices which hit The reduced growth rate cent achieved between 1979 and

commodite is.

The 1.9 per cent figure is roughly in line with the expectation of private business and the world Bank.

This year's growth is declined by 5.6 per cent.

#### **WORLD TRADE NEWS**

### **US** leasing group places \$840m jet aircraft orders

commercial jet aircraft worth
\$840m (£567m) in three
separate transactions, Reuter a memorandum of understand-

supplier.

The company said it has signed definitive lease agreements or is finalising lease agreements with nine airlines for the 30 aircraft.

These orders bring its total

INTERNATIONAL Lease of the Netherlands for \$140m, Finance Corporation (ILFC) of and seven new and one used the US has placed orders for 30 aircraft from Boeing for \$300m. reports.

Some \$30m will have a spin-off arranged to buy 46 new aireffect for Rolls-Royce of the UK which will be a major engine supplier.

Separate transactions, ketter a memoral and of inder statement of index and the supplier and in graded in graded in graded at \$1.7bm, the company said. A used 767-200 jet is being purchased under a separate agreement with a separate agreement with Boeing for delivery this month. Earlier this year, ILFC ordered its first RB211-535E4-powered Boeing 757, for delivery in the spring of 1987.

These orders bring its total purchases of new and used aircraft to more than \$20n for the first leight months of 1986, the company said.

Lease Finance said the 30 new Fokker 100. The first prototype aircraft include 15 McDonnell-Douglas MD-80s for \$400m, Netherlands and its first flight seven new F-100s from Fokker is scheduled for later this year.

#### **BP** sells plant to China

FINANCIAL TIMES REPORTER

BP CHEMICALS has sold a commissioned BP CHEMICALS has sold a 80,000-tonne linear low-density polyethylene plant (LLDPE) to China Petrochemicals International (CPI) for an undisnational (CFI) for an amount of closed sum.

It is expected to be installed alongside 40,000 tonnes of existing capacity at CPI's operation at Lanzhou in the north-west of the country by 1988.

Lavera. southern France, in January. BP has granted three other licences for similar operations in the US and India and is currently negotiating about 20 more deals.

The plant will enable China to make a wide range of plasof the country by 1988.

The plant uses BP's own gas phase technology and is similar to a 100,000-tonne unit for the company's own use which was from 695,000 tonnes in 1984.

American requests for a tiles products and help reduce its dependence on imports of beer, wine and tobacco. The company's own use which was from 695,000 tonnes in 1984.

#### **US-Taiwan** trade talks on verge of breakdown

By Robert King in Taipei

INTENSE bilateral trade negotiations between the US and Talwan were on the verge of breaking down yesterday as the two sides failed to meet during talks aimed at achieving the opening of the Taiwan market

At issue is Taiwan's insistence on a 185 per cent mark-up on imports of American beer, wine and tobacco, which Taiwan had earlier agreed to buy as a token of its sincerity in opening its markets to US spods. Failure of Taiwan to satisfy

Washington's negotiators could, however, bring punktive action by the US Government on imports from Taiwan under a section of the US trade law which deals with unfair trading

As a result of the refusal of both sides to modify their posi-tions, negotiators have not yet had a chance to address other

for foreign companies here, Taiwan's tariff levels and its relationship to preferential-tariff treatment on roughly \$2bn (£1.35bn)-worth of Taiwanese goods exported to the US each year.

Taiwan appears to have no recourse but to comply with American requests for equitable tariff treatment for its beer, wine and tobacco. These exports are seen by some in Taipei as a test of Taiwanese

## Polish company beats currency block

issues on the agenda.

These include export-ratios and local-content requirements

## Turnover is surging ahead for a country's leading 'domestic exporter'

bank, siphoning off convertible currencies to service the debt to the West. The rescheduled debt rose \$2bn from January to June, reaching \$31.3hn.

However, one thriving Polish company has instant access to Western currency. Pewex, the ubiquitous chain of shops which sell Western and Polish products to Poles for dollars is the country's leading "domestic exporter." Other East European countries also have hard currency shops such as Tuzex in Czechoslovakia and Intershop

Czechoslovakia and Intershop in East Germany, but they play a less vital role for the popula-tion than does Person tion than does Pewer.
Last year, the 640 Pewer shops from the Odra to the Bug rivers, had record sales of \$292m of which \$201.6m was for Western goods. Turnover this year is surging ahead with sales

of \$160.4m in the first six months. Mr Tadeusz Bielski, Pewer's Mr Tadeusz Bielski, Pewer's director, explained in an interview that it was difficult to provide a profit figure as the hard currency income is converted into zlotys. Last year zloty profit, he noted, was Zl 13bn (\$89.6m at the official rate). The Polish Treasury gets 55 per cent of the hard currency income, with 20 per cent going to the budget and 35 per cent to the domestic trade ministry for essential consumer imports. The remaining 45 per cent is used by Pewex for imports.

OBTAINING HARD currency for Western imports can be a computers, for example, went nightmare for Polish companies instant hit while purchases of Polski Fiat 126 which costs hand is in the till of Bank Handlowy, the foreign trade bank, siphoning off convertible currencles to service the debt currencles to service the debt to the West. The rescheduled debt rose \$25m from January to June, reaching \$31.5m.

However, one thriving Polish

details, would net 400m Kuwaiti dinars (\$1.37 trillion) a year.

As oil prices tumbled last

December, the elected national

assembly (now suspended)

blocked Government plans to

adjust rates for electricity in a

move aimed at penalising ex-

cessive use. According to one government minister,

charged for public services had covered only 8 per cent of their

on personal imports of video recorders by Poles returning from the West.

Pewer sales had fallen in recent years after hitting a previous high in 1982. The reason given by the company was that the drop reflected an improvement in supplies on the domestic market. Mr Bielski acknowledged, however, that there is still a direct relationship between the availability of consumer goods for zlotys—still very poor—and Pewer turnover. How do individual Poles get

How do individual Poles get the foreign currency to buy at Pewex if Polish companies are so strapped for hard currency to buy Western goods?

Mr Zbigniew Karez, head of the international relations department at the Finance Ministry, noted that Poles have \$800m deposited in dollar accounts bearing high interest rates at the Polish Savings Bank, PKO. This is money sent by relatives in the West as well as income earned by Poles who worked there. Other Poles working on projects in Comecon countries are partly paid in dollar certificates which resemble monoploy money.

These certificates or dollars can be used to buy goods in

used by Pewex for imports.

Mr Bielski said the sharp increase in sales was mainly because of new offers by the company, especially electronic real calculated at an exchange rate

The dollar is Poland's second currency, without which it is impossible to buy desired goods, Leslie Colitt reports

Poles who want to buy dollar certificates for use in the Powex need only look in the official newspapers for ada placed by citizens wanting to sell them. The exchange rate is conveniently published in a leading Polish weekly and is corrently 21 700 for a \$1 certificate. Although the official rate is 21 159 to the dollar, buying dollar certificates at more than four times this rate is wholly legal. Exchanging plotys for dollar bills or rate is wholly legal. Exchanging zlotys for dollar bills or any other hard currency notes on the other hand is illegal although very widespread. Thus, with compelling Polish logic the black market Exchange rate is virtually identical with the legal one for dollar certificates. The result is that the dollar is Poland's second currency without which second currency without which it is impossible to buy desired

Armed with either form of hard currency, Poles buy every-thing from chocolate to build-

in State shops.

Apart from yodks, Pewer sells relatively few Polish goods. Mr Bielski explained that under the "social agreements"—concluded between the government and the now hanned Solidarity union—Pewer could no longer sell Polish consumer goods which were in short supply on the demestic market.

The classic case was illustrated by the story of the exasperated Pole who walked into a Pewer shop in 1881, ordered five tins of Polish ham, and insisted in paying in zlotys. When told they accepted only dollars, he protested: "Isn't this Poland?" The manager called the police who, although they could find me regulation saying that goods bought in a Polish shop could not be paid for in zbotys, took in the irate customer for further questioning.

West Germany is the main West Germany is the main

West Germany is the main supplier of Pewex products, about 17 per cent value, with Japan in second place, some 11 per cent last year, followed by Hong Kong, the UK and France, Inevitably the mere existence of Pewex has led to a wide-spread belief in Poland that it must be tainted with corruption. A recent Polish news agency report that the manager of a Pewex shop in Kielce was charged with embessing \$60,000 caused one Pole to rawn and ask what else was new.

#### Record vehicle output for Japan

JAPAN produced a record 1.15m vehicles in July, up from the previous peak of 1.14m in October, 1985, and 1.11m a year easiler, the Japan Automobile Manufacturers' Association said, Beater reports from Tokye.

June production totalled 1.07m vehicles.

July output included 744,994 gars, up 9.5 per cent from a year earlier and surpassing the record 717,651 in October, 1985, 398,598 trucks, down 4.7 per cent, and 3.836 buses, down 52.1 per cent.

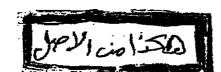
July vehicle export figures, are expected to show a 5 per cent fall from June's 5.1 per cent year-on-year rise. January to July output totalied 7.39m vehicles, up 2.2 per cent from the year earlier period, including 4.71m cars, up 5.6 per cent, 2.65m trucks down 2.1 per cent, and 26,686 buses, down 54.6 per cent.

Motorcycle production fell 24.8 per cant to 339,641 in July from 451,673 a year earlier, for the sixth consecutive year on year decline, but was up from 316,404 in June.

This brings cumulative output to July to 2.3m from 2.68m a year earlier.

Robert Gibbens in Mostreal adds: Japanese car manufac-Robert Gibbens in Montreal adds: Japanese car manufacturers can raise their share of the Canadian market to 21 per cent in the fiscal year, ending March 31, 1987, from the present 18 per cent limit, under an agreement with the Canadian Government.

This means an increase in shipments of 36,000 units this year to about 240,000,



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Issued by Lazard Brothers & Co., Limited, through the TSB Group Share Information Office, on behalf of the Thustee Savings Banks Central Board. COPENHAGEN (G) HANDELSBANK

INTERIM REPORT 1986

The Copenhagen Handelsbank group

Group operating profits, before provisions, depreciations and revaluation of the securities portfolio, are very satisfactory, amounting to 573.4 million knoner for the first half of 1986.

Both Copenhagen Handelsbank and its subsidiaries have made

their contribution to this result. Copenhagen Handelsbank Inter-national S.A., Lunembourg, having earned 57.7 million and Norda-

nia Leasing A/S 39.1 million kroner. The consolidated balance-sheet total was 148 billion on June 30, 1986, compared with 97 billion kroner at the same time last year -an increase of 53 per cent.

PROFIT AND LOSS ACCOUNT (first half-year)

Total interest expenditure ...... 3,649.4 3,340.5 2,967.3

Profit before expenses, etc. ...... 1,565.0 1,511.7 1,319.9

Salanes and pensions...... -676.9 -659.3 -633.2 Other expenses -314.7 -304.4 -291.2

The prospects for 1986

The positive trend in the ordinary earnings of the Group during the first half of 1986 has, so far, continued into the second half of

the first half of 1986 has, so far, continued into the second half of the year.

Moreover, the lower rate of increase in costs is expected to last for the rest of the year. Accordingly, we anticipate being able to hold the total increase in costs (including depreciations on machinery and equipment) at just under 5 per cent. This is despite an increase of about 175 in the number of staff on a yearly basis.

For 1986 as a whole, we therefore expect satisfactory growth in ordinary profits in comparison with 1985.

Since we also expect provisions for contingent and actual losses on loans, guarantees, etc., to be on the same level as in 1985, the signs are that the end-year results (before revaluation of the secunities portfolio) will be satisfactory - and better than for 1985.

Naturally, because of our large holdings of securities, the net profit for 1985 will depend on the level of interest at the end of the year.

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and loreign banks, etc. ........... 1,297.0 1,196,7 1.025.8

Interest and commission

on bonds, shares and

capital, etc.....

Profit before provisions and depreciations, etc.....

and taxes.....

Profit Including revaluation of

curities, but before

Extraordinary income and

Net income from interest and

Group Parent company 1986 1986 1985 mill kr. mill.kr. mill.kr.

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#### UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manu facturing output (1980=100); engineering orders (1980=100); retail sales volume (1980=100); retail sales volume (1980=100); retail sales value (1980=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	indi. prod.	Mfg. Output	Erg. order	Retail vol.	Rotail value*	Unem- ployed	Vacs.
1985	•	-					
1st gtr.	106.7	103.5	104	113.4	133.9	3.138	153.6
2nd ctr.	108.9	104.5	169	115.0	141.4	3.174	161.7
3rd qtr.	103.4	163.7	193	116.3	145.2	3.124	164.4
4th gtr.	198.4	103.5	104	116.6	177.7	3,122	168.2
1986							
1st atr.	109.3	163.1	97	118.0	145.4	3.171	164.6
2nd our.	108.5	163.4		120.2	152.7	3,265	175.1
January	108.4	102.3	89	117.0	145.6	3.153	159.7
February	109.9	103.3	97	117.2	140.9	3.161	165.0
March	109.5	103.1	104	119.8	148.6	3.199	168.8
April	110.3	103.7	160	119.3	152.1	3,200	169.0
May	108.2	103.9		118.2	149.8	3.205	171.1
June	107.0	103.6		122.4	155.4	3,220	185.3
July				120.9		3,224	195.2

OUTPUT-By	market sec	tor: consu	mer go	ods. inv	estmen	t goods.
intermediate						
metal manufac	cture, textile	es, leather	and clo	thing (1	980=100	n: bous
ing starts (000				- 0		
C	nsmer. Inves	L Intend.	Eng.	Metal	Textile	House

ing starts (	300s, mo:	nthly av	/erege).				
_	Casmer.	lnvest.	Intmd.	Eng.	Metal	Textile	House.
	goods	goods	goods	output	mulg.	ctc.	SLETTS*
1985					_		
1st qtr.	183.4	102.9	169.9	104.1	111.0	100.7	14.0
2nd atr.	103.4	105.0	113.5	105.6	115.9	182.1	18.2
3rd etc.	104.3	102.3	113.2	103.5	114.4	103.2	17.3
4th gtr.	163.7	102.6	173.5	163.1	111.6	102.8	15.6
December 1986	104.3	103.2	110.9	104.9	110.0	102.0	11.0
1st qtr.	193.3	<b>102.6</b>	115. <del>9</del>	102.4	110.6	104.0	14.2
2nd gtr.	104.5	101.8	113.4	102.7	111.5	104.0	19.8
January	102.3	102.3	114.0	102.0	112.0	103.0	13.9
February	104.0	102.7	115.9	103.0	110.0	105.0	12.5
March	193.6	163.9	115.2	103.6	110.0	183.0	16.3
April	<b>164.</b> 8	102.1	116.7	193.0	109.0	186.6	18.9
May	104.2	101.7	113.0	163.0	112.0	102.0	20.0
June	104.5	101.7	110.4	102.0	113.0	194.0	
EXTERNA	L TRAD	E—Ind	ices of	export	and	import	volume

EXTERNAL TRADE—Indices of export and import volume (1980=100); viable balance; current balance (£m); oil balance (£m); terms of trade (1980=100); official reserves.										
j	Export	Import	Visible	Current	Oil	Terms	Reserve			
	volume	volume		balance		trade	USSbn-			
1985										
2nd gtr.	120.5	124.8	-124	+1,587	+2,411	97.8	14.32			
3rd atr.	116.3	124.1	-453	+1.472	+1.990	100.2	14.18			
4th atr.	118.9	127.4	-225	+762	+1.893	101.6	15.54			
December	119.4	127.8	- 18		+491	10L7	15.54			
1986	110.1	221.0			7701	102-1	10.01			
1st atr.	117.4	126.1	-1.400	+528	+1.994	101.0	18.75			
		128.4		+546						
2nd qtr.	121.3		-1,554		+765	102.5	19.20			
January	118.7	120.3	+155	+1,090	+987	101.7	15.56			
February	129.7	125.8	-344	+152	+678	160.7	15.81			
March	112.7	132.2	-1.211	-714	+338	166.7	18.75			
April	122.2	121.9	-265	+435	+265	101.7	18.99			
May	120.7	131.4	-666	+ 34	+212	102.2	19.17			
June	121.1	129.3	-623	+ 77	+288	103.7	19.20			
Tulu-			<b>U</b> -U		7 400	100.1	10.40			

FINANCIAL—Money supply M0. M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); building societies' net inflow; HPf, new credit; all seasonally adjusted. Clearing Bank base rate (end period).

1985	M0 %	M1 %	M3 %	Bank advnes. %	Em inflow BS	HP lendingt £m	Base rate %
	5.1	32.4	20.4	19.2	1 502		10 70
2nd qtr.					1,523	3,082	12.50
3rd qtr.	5.5	15.4	11.6	17.5	1,771	3,374	11.50
4th gtr.	1.4	25.1	17.8	17.7	2,299	3,431	11.50
December 1986	2.7	29.1	14.2	17.0	865	1,192	11.50
ist gtr.	6.5	9.0	10.7	12.2	2,220	7.260	11.50
2nd qtr.	2.5	33.0	33.8	26.7	1.433	7.694	10.00
January	9.8	14.6	11.1	11.4	779	2.734	12.50
February	4.6	- 5.3	6.8	9.1	793	2.310	12.50
March	5.1	8.2	14.3	16.4	657	2,216	11.50
April	0.3	21.5	28.6	26.5	756	2.741	11.50
May	3.5	42.8	39.4	27.9	580	2.375	10.00
June	3.8	35.1	33.5	25.0	177	2.578	10.60
July	3.7	29.1	18.5	15.9	387	,	10.00

INFLATION—Indices of earnings (Jan 1980=100); basic materials and fuels, wholesale prices of manufactured products (1980–100); retail prices and food prices (Jan 1974–100); Reuters commodity index (Sept 1931=100); trade weighted value of sterling (1975=100) Earn- Basic Whsale.

1985	ings"	matis *	mnig.	RPI•	Foods*	emdty.	Sterling
2nd qtr.	170.3	138.8	139.4	375.3	- <b>339</b> .4	1,954	78.9
3rd atr.	174.4	133.1	140.2	376.3	335.5	1,796	82.2
4th gtr.	176.9	132.6	141.4	378.1	337.4	1,771	79.8
December 1986	180.0	134.7	141.9	378.9	339.4	1,771	79.1
1st atr.	179.1	132.6	143.4	380.8	343.3	1,813	75.1
2nd ctr.	184.0	126.3	145.7	385.7	349.5	1,453	76.1
January	176.9	135.0	142.7	379.7	341.1	1.840	76.6
February	177.9	133.5	143.3	381.1	343.6	1.808	74.2
March	182.4	129.4	144.3	381.6	345.2	1.813	74.6
April	124.9	127.1	145.4	385.3	347.4	1,786	76.2
May	182.3	126.7	145.9	386.0	349.8	1,763	76.1
June	185.8	125.0	145.9	385.8	351.4	1.453	75.9
July		120.8	146.1	384.7	347.4	1,460	74.0
		4 Mat c	aacamallu		.4		

† From January 1986 includes amounts outstanding on credit cards.



**ESCOM Electricity Supply Commission** 

ECU 50,000,000 Floating Rate Notes due 1990

In accordance with the terms and conditions of the Notes, notice is hereby given that for the Interest Period from August 29, 1986 to November 28, 1986 the Notes will carry an Interest Rate of 74:6% per annum.

The interest payable on the relevant Interest Payment Date. November 28, 1986 against coupon N-6 will be ECU19.12 per Note. The Agent Sank



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FINANCIALTIMES EUROPE'S BUSINESS NEWSPAPER



#### **UK NEWS**

### New business mix gives Harland steadier look

BY ANDREW FISHER, SHIPPING CORRESPONDENT

for Harland and Wolff, the state-owned Belfast shipbuilder which ship to an aircraft training vessel threat that the yard might not be Hunter in April and now has an or- er (AOR). der book worth some £300m.

Mr John Parker, the 44-year-old yard, believes its present mixture of merchant, naval and offshore business forms "just about the most sophisticated order book in Europe." privatisation of its warship Today, if the Northern Irish and redundancy provisions. weather is not too rough, the keel

will be laid at Harland for one of the most advanced non-naval ships ever built in a UK vard - the £75m Swops (single well oil production system) vessel for British Petro-Next week, Harland is likely to

announce a fall in losses for the financial year to March 31 1986. In 1984-85, they shot up by £6m to nearly 536m after a fire on one merchant ship under construction, the poor performance of sub-contractors on another and redundancy

For the 5,000 workers in the yard, half the level of the mid-1970s, the size and nature of the order book means a full workload for the rest of 1986 and into 1987. In politically and commercially sensitive Northern Ireland, the yard is a vital part of the local economy. But shipbuilding is a chancy oc-

over-tonnaging and excess yard ca-pacity. Even the dominant Japanese and South Koreans are striving hard to find orders. Thus, admits Mr Parker: "If there

cupation in these days of world

is no more work, we start hitting able. difficulties next year." Current or-

snatched a vital naval contract from (£60m), and the latest £130m naval under the nose of Tyneside's Swan order for an auxiliary oil replenish- its costs on the order rose by more

His former employer, British Shipbuilders, where he was deputy Ulsterman who is chairman of the chief executive until 1983, recently announced a doubled trading loss of £137m, which was boosted to a £430m deficit by a book loss on the privatisation of its warship yards

Harland's latest order, the AOR, of the bitterest controversies ever to hit UK shipbuilding. Swan Hunter, bought by its man-

this year, thought it had the order for the AORs - six are planned ultimately, and two were expected to be ordered in 1986 - almost in the bag. But the Belfast yard had teamed

up with the Yarrow warship yard on the Clyde (now owned by General Electric) and Racal, the electronics group, to mount a rival bid. Har-land, where the actual construction will be done, finally won the day on Harland and Swan Hunter, which

has since received a £115m Type 23 agement and workforce, new plan-order, strongly attacked each oth-ning and cost-control disciplines er's bidding tactics. Swan claimed it was impossible to guarantee that via Swops, into the demanding state aid for Harland's merchant activities would not affect the AOR or- industry. der, on which no subsidies are pay-

ders comprise a big bulk carrier for tract was awarded. The Harland Hunter.

IT IS turning out to be quite a year British Steel (£35m), the Swops consortium was also subjected to able to bid for more naval work if than 5 per cent.

Not surprisingly, the Belfast yard was less than happy about the tough conditions, though insisting it could live with them. Mr Stuart Hunter, project management direc-tor, said the yard had really needed two AORs to keep it busy for a long enough period.

To accomodate two such complex which is designed to provide a wide range of fuel and other support services for the new Type 23 frigate in the UK – has had to develop adfleet, landed it in the middle of one

The BP ship, designed to suck up oil from small and so far uneconom-ic accumulations under the seabed, agement with the backing of City of will involve Harland in 6.000 sepa-London institutions at the start of rate work activities alone, from design work to completion. This is about twice the number on the more straightforward bulk carrier it is building.

The yard has already brought in

more flexible working and cost-sav-ing practices on conventional ships. Mr Parker reckons the bulk carrier will be completed with some 20 per cent fewer manhours than a similar ship built for British Steel.

As well as the Swops ship, Harland is also building the on-board oil refining plant. Both among manhave had to be learnt for the move,

There is a substantial cultural change between shipbuilding and In the end, only one AOR con- offshore requirements," said Mr.

### **Protestant** workers in walkout at Shorts

By Our Belfast Correspondent

THE DISPUTE at Shorts, the Beliast aircraft manufacturers, over the alleged intimidation of Catholic employees worsened yesterday when Protestant workers staged

walkout. Last night, Shorts said about 15 per cent of the 7,000 workforce had been involved.

A company spokesman con-firmed that the walkout had happened but was unable to say how macy people were involved.

Yesterday's protest follows an order last week from Sir Philip Fore-man, chairman of Shorts, that all flags and political emblems should he removed from the shopileor af-ter the alleged intimidation of Catholic workers by extremists among the Protestants, who make up nearly 90 per cent of the workforce in the East Belfast factory.

Mr Peter Robinson, Democratic Unionist MP for East Belfast, had

given a warning that the manage-ment's ban could lead to industrial action.

A worker, claiming to represent those involved in the walkout yes-terday afternoon, said the management were engaged in "heavy-handed taction" in entorcing the chairman's directive. He alleged that the management was deter-mined to cause a confrontation with the workers.

The controversy blew up 10 days The controversy blew up 10 days ago when a number of posters appeared in the factory, accusing some Catholics of being "IRA sympathisers." Time cards belonging to several Catholics disappeared, and the Royal United Controllers was called in to investigate what Shorts described as "base sinister developments."

The company said that any worker found to be involved in such intimidation would be sacked. Protestant loyalists at the stateowned plant have been involved in previous walkouts over political is-sues since the start of the Ulster troubles.

Although the company would not comment, it was feared that there could be further protests at the factory as the management sought to impose its ban on flags and other political emblems.

#### EXPORTS of Scotch whisky increased by 2 per cent in the first six stantial US stocks were bought in brands. In 1985 exports of Scotch months of this year compared with advance of an increase in Federal

the same period last year with mar-kets such as the EEC and Japan said the US downturn also had to be showing particular growth. Sales to judged in the light of an overall de-the US, however, which account for cline in consumption of "brown" about a quarter of all exports, spirits in the US. plunged by 10 per cent according to

BY LYNTON McLAIN

Commission to open legal proceed- chan

European Commission, said in Lon-

don yesterday.

A meeting of EEC transport ministers will take place in London on October 3 to review the position.

"I am hopeful that this will signal

the start of a process that could

lead to agreement on the detail of a

step-by-step approach by the end of the year," Mr Clinton Davis told the Financial Times conference on

World Aerospace to the end of the

Century." Negotiations between the 12 EEC

had not gone as quickly as the Commission wanted. This was "partly due to the difficulty of the negotia-

political will on the part of govern-ments and airlines," he said.

would be good for the Community.

When we framed our proposals two

years ago we said a categorical 'no' to deregulation. We are still saying it," Mr Clinton Davis told delegates.

different from those in Europe. There is a serious doubt that the

highest safety standards can be

maintained in a world of total dere-

gulation," he said. Evidence of this

might be seen in the enormous fines imposed on major US carriers

over the past year.

Conditions in the US were quite

tions and partly due to the lack of pacity will be achieved."

The Commission has never accepted that US-style deregulation entering into co-operative arrange-

The Commission was trying to move a step at a time, assessing lantic next year."

Slide in whisky exports to US

While sales of Scotch may have figures published by the Scotch declined in the US the drink has Whisky Association (SWA). performed better than American clined by 26 per cent.

es in air transport. But h

The Commission wanted EEC

transport ministers to agree to a re-

laxation of rules to allow enterpris-

Mr C. Edward Acker, the chair-

each other," he said.

THE DECISION of the European continuously benefits and costs of

ings against 12 Community airlines said, "nobody can remain insensi-

for breaches in competition rules tive to the tide of popular demand

"is having the desired effect and ne- for lower fares and/or for fairer

gotiations for change in the Community are gathering momentum,"
Mr Stanley Clinton Davis, the competition commissioner at the competition commissioner at the

Brussels' action on airlines 'having effect'

whisky to the US declined by 3 per cent against an overall downturn for distilled spirits of 1.6 per cent but against 5.4 per cent for all whisky types according to a report published today by Wood Mackenzie. Since the peak sales year of 1979 scotch sales in the US have de-

## FINANCIAL TIMES CONFERENCE

World Aerospace -

ing airlines to offer lower fares. "We want to end the practice whereby one EEC government can veto the environmentally acceptable superport the European Community acsonic aircraft able to carry loads tion looking towards greater regulalower fares of a competing airline of another member state or can force EEC airlines to agree fares with some aircraft able to carry in the large enough to make them eco-tory freedom.

nomically viable. He urged air Mr Michael Spicer, the UK Min-The Commission also wanted to limit government interference in

airline capacity arrangements, but Negotiations between the 12 EEC it was prepared to accept, under members for an agreement on five certain conditions, some restrictive changes prosed by the Commission airline practices such as revenue pooling and talks on fares and ca-pacity," he said. "I am confident that our objectives on fares and ca-

Mr C. Edward Acker, the chairman and chief executive officer of PanAm, said the airline anticipated entering into co-operative arrangements for through-services and joint marketing with European airlines. Pan Am was interested in providing "new competition in Europe" in the light of moves to liberalise air transport.

"We are ready, willing and able to "We are ready, willing and able to "Mr Colin Marshall, chief executive of British Airways, said all airline interests of our industry are preserved."

He said that the interests of our industry are preserved."

He said that the constraints on a liberal market for aviation were enounced.

Mr Christopher Tugendhat, in his first public speech as chairman of the UK Civil Aviation Authority (CAA), said that new safety standards introduced by the CAA since tive of British Airways, said all air-

operate in more intra-European tive of British Airways, said all airmarkets, if and when regulatory lines in Europe needed to be far barriers are relaxed," Mr Acker more energetic about doing more to barriers are relaxed, for Acade their customer base by respect that, with traffic below normal this summer, "we could with the owns firmly on govern
wary of those costs of safety regulavery well be looking at an excep- ments.

passengers of choice of schedule. carrier and proper pricing," he said. This makes the protected airlines less able to compete in the world marketplace. The only protection ultimately is to be more competi-

Mr Marshall said there were a number of areas in Europe where BA and some of its European associates found fares too high. "But there is very little we can do since ultimately they are set by governments, not by the airlines." He also called for "an efficient, British Airways intended to sup-

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lines, governments and manufac-turers to work together to make the aircraft a reality by the end of the mediate priorities for the Govern-ment were to settle the next phase ment were to settle the next phase of the move towards the liberalisa-Mr Lim Chin Beng, deputy chair-tion of European air services; the Mr Lim Chin Beng, deputy chairman of Singapore Airlines, said the Asia Pacific region had been the fastest growing in the world in air transport. The airlines of this region will have the biggest slice one third - of world passenger traffic her 1992 he said.

tours 737 aircraft at Manchester last year would cost UK airlines

tion, especially airworthiness re-"Current regulation in Europe pairements, which had a national limits the airlines and deprives the rather than an international basis.



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## Britoil cuts more jobs in wake of arrives fall crude prices fall

BRITOIL, the UK's largest independent oil company, is preparing to make 800 employees redundant in addition to the 250 people who have already lost their jobs this year.

The total loss of jobs, repre-senting 40 per cent of Britoil's payroll, will be easily the largest announced by any oil company in the UK sector since the fall in crude prices. It follows Britoil's announcement earlier this year that it would cut capital expenditure by 40 per cent in response to the collapse of

About three quarters of the latest round of redundancies will be made at Britoil's Glasgow office. About 150 jobs are likely to be lost in the Aberdeen office which runs the company's offshore operations.

Jobs are likely to be lost in all parts of the company from the manement downwards. The staff has not yet been informed officially. The company would only say yesterday that after a review of its activities it was expecting to make an announcement early next month.

Although Britoil has been run with conservative financial policies and has a broad spread of activity in North Sea exploration and production, its lack of refining or other involvement in petroleum product the people displaced were real-markets has made it especially vul-

BY ALEXANDER NICOLL

THE LONDON International Fi-

nancial Futures Exchange (Liffe) is

to introduce options based on the

Financial Times-Stock Exchange

index of 100 shares as part of its

preparations for October's Big Bang

reforms of UK securities markets.

launched on September 30.

mg elle

The new contract is to be

Liffe's decision was being ex-

amined closely last night at the

Stock Exchange, which owns the rights to the FT-SE index and had

not been notified of Liffe's plans.

The new contract will compete with

the Stock Exchange's own options on the FT-SE index.

Stock Exchange options officials

vere understood to view Liffe's change's long gilt futures.

**Jefferson** to step down at

SIR George Jefferson will step down as full-time chairman and chief executive of British Telec-om from October 1 as part of a

announced yesterday. Sir George, who turned 65 last March, will remain chairman on a part-time basis. He will be suc-

Iain Vallance, currently BTs chief of operations, who is aged

day that Mr Graeme Odgers, who is to leave his present job as group managing director of Tar-

mac to become BT's deputy

chairman in October, will also serve as BT's chief finance offi-

cer, a newly created position.
Several City of London analysts said yesterday that the lines of authority created BT's new se-

nior management structure seemed unusually complicated,

and they were unclear how it

They pointed out, in particular,

that in his role as chief finance

officer Mr Odgers would report

to Mr Vallance, while reporting to Sir George in his capacity as

would operate in practice.

ded as chief executive by Mr

nerable to the fall in crude prices. The staff cut might save Britoil perhaps £25m in salaries and over-heads in a full year.

The largest North Sea operators, Shell, British Petroleum and Esso. have all been able to offset the deterioration in crude production revenoes from increased refinery profits. The collapse of crude oil from about \$30 per barrel last au-tumn to \$8.60 last mouth had a much greater impact on Britoil's financial results.

Britoil's operating profit in the first half of the year was cut to £100m from £365m in the first half of 1985. After-tax profits were cut to a third of last year's level at £34.5m and the company said that it would scarcely break even in the second half if the oil price remained at its level at mid-summer.

Shell and BP have so far been notably cautious about announcing redundancies in their exploration and development departments. Exxon, Esso's parent company, announced that it was offering early retirement to 40,000 of its staff, but most were in the US. Only about 200 administrative jobs were lost in the UK when Esso Europe was disbanded and a significant number of

was not needed for the new con-

tract since it was an option on

Liffe's own futures contract and not

Liffe's futures contract on the FT-

SE index has not been among its

most successful. It is hoping that

options on the futures contract will

stimulate futures trading volume

as it did when options were intro-

duced earlier this year on the ex-

deputy chairman.
The planned changes appear to position Mr Vallance and Mr Odgers as the leading internal candidates to succeed Sir George as chairman. Sir George's con-Liffe plans launch of tract has been renewed until late 1988, when he is expected to rerival options contract

Mr Douglas Perryman, BT's corporate finance director since 1981, has been named to a new post as corporate commercial director. The responsibilities inmove as unwelcome and as a blow volved in this appointment have to what they hoped would be closer not been spelt out in detail, and it is regarded as something of a Mr Nick Carew Hunt, Liffe's manager for contract development argued that an additional licence Sir George Jefferson, who has

been BT's chairman since 1981 and became its chief executive shortly before it was privatised in 1984, said he believed the time come to separate the two

Mr Vallance joined the Post Office, from which BT was separated six years ago, in 1966. Last October he was named chief of operations, a post created spe-cially to groom him for the posi-tion of chief executive.

**GOVERNMENT URGED TO REMOVE RESTRICTIVE PRACTICES** 

### Call for rethink on business codes

THE GOVERNMENT should act to sion, he suggests, but for the joint nies which could act as company so sets a limit of 20 partners, with remove some of the restrictions on Bar Council and Law Society inves-competition among accountants tigation into relations between barsolicitors, the Office of Fair

Trading said yesterday.

The call comes in a Governmentcommissioned report on four professions – architects, accountants, barristers and solicitors – by Sir Gordon Borrie, Director-General of Fair Trading.
The prohibition on barristers

practising except as individuals, Sir Gordon says, forms "the most restrictive structure among the prolessions examined in the course of the office's review." He also singles to offer services to the public. out barristers' sole rights of advocacy in the higher courts and the restrictions on lay clients' access to plinary partnerships so that acbarristers.

Barristers' restrictive practices free to compete in the market for fi-might have been referred to the monopolies and mergers commis-be able to establish limited compa-

risters and solicitors, which made any other action inappropriate. The joint committee is due to report in five years' time.

At the other end of the scale, architects were found by Sir Gordon not to impose any significant res-trictions on the professional organisation of their members. The recommendations Sir Gor-

don does make would mean farreaching changes in the way the other two professions are organised They would allow inter-profes sional partnerships and multidiscicountants would, for example, be

auditors. By the same token, solici-tors would be better placed to compete with banks and building societies by offering house purchase and at and possibly amended. estate agents.

Specifically, the report recom-

mends that the Government consider amendments to: The Solicitors Acts, which prohibit solicitors sharing fees and therefore going into mixed partnerships. The OFT described the ban as "an inhibition on solicitors which has no equivalent in the rules of the

professions of the land". It would

then be up to the Law Societies to

amend their practice rules. • The Companies Act 1985, which forbids incorporated accountants to act as company auditors (the accountants' own rules permit companies to be formed): the same act al-

certain exceptions, in the formation of professional partnerships. This, Sir Gordon says, should be looked

Reaction to the proposals is likely tably those affected by the loss of their monopoly right to conduct property conveyancing (legal property transfers), want the freedom to go into partnership with other pro-fessions. Other solicitors, particularly in the City of London, are less enthusiastic about the prospects of mixed partnerships.

Restrictions on the kind of orgaprofessions may offer their services, a report by the Director-General of Fair Trading. Free from Room 515. Chancery House, Chancery Lane, London, WCZA ISP.

Editorial comment. Page 19

£5.42bn, 2 per cent higher than in

June, while imports were 1 per cent higher at £6.29bn. If erratic items

such as aircraft and precious stones

are excluded, exports rose 3 per cent in the month to £4.99bn, while

imports rose by 1.4 per cent to £6.05bn.

first seven months of 1986 has

The visible trade deficit in the

## shut down

**Amsterdam** 

THE LEADING Amsterdam "boiler rooms," the telephone share-selling firms that have taken several hundred million pounds off investors in the UK and elsewhere over the last three years, are being closed down after a decision to deny them a li-

The firms, which aggressively sell shares in companies of negligi ble value at grossly inflated prices. were raided in early May by the Dutch police after complaints from governments and investors in the UK, West Germany and several other European and Pacific basin countries. The police seized several

The Dutch Government introduced regulations in May that require all such securities firms that are not members of a recognised stock exchange to apply for a li-cence to the Ministry of Finance.

The ministry confirmed yester day that about 100 firms had applied for licences. Eleven applicants have so far not had their applications accepted. These include the largest of all the firms, First Commerce Securities, which is linked with the convicted Canadian fraudster, Irving Kott. It is estimated to have made at least \$300m from selling shares in DeVoe-Holbein, a company which claims to have developed a metal extraction process but which has yet to show any prof-

The offices of First Commerce are still open but, according to the receptionist, none of the salesmen is available. As a result, those who were persuaded to buy DeVoe-Holbein shares will now find it difficult, or impossible, to sell them back, even at a much lower price.

The other share-pushing firms in contact with a large number of UK investors which have also been refused licences include World Capital Consultants, York International Securities, which was established by a former First Commerce salesman, and Investment Advisory Ser

No decision has yet been made as to whether to grant licences to the other applicants. However, since May three other firms which built

### TSB sets timetable for share flotation

its stock market flotation, the big-gest issue of bank shares in British history. Way this summer. City of London the issue's procee

A pathfinder prospectus issued yesterday by Lazard Brothers, TSB's merchant bank adviser, said it would then publish the full prospectus on September 16. Investors will have eight days to apply for shares, in response to an advertising campaign to include posters on 15,000 British bus shelters. The offer closes on September 24. Stock market dealings are expected to start on October 8.

Sir John Read, TSB chairman, said he was confident of achieving a share register of more than Im names. The group's share information unit has received 2.4m inquiries, including 1.7m registrations by people wanting to qualify for a pri-ority allocation to established cus-

The group, which was formed from the UK's four trustee savings banks has, however, sent direct marketing mail to only 4m of its 7m customers, because it has no addresses for the rest.

Flotation of the group, made up of the UK's four trustee savings banks, should have occurred this spring. A legal wrangle over the

TSB GROUP is to announce amid group's ownership then delayed it intense publicity on September 12 for eight months until after a final the share price and final details of House of Lords ruling cleared the

> City of London analysts expec the issue's proceeds to be between £1.2bn and £1.4bn, if it is priced roughly in line with the cost of UK clearing bank shares. The pathfinder prospectus fore-

cast 1986 pre-tax profits of £193m per cent on 1985. Part of the proceeds are likely to be used for acquisitions of UK and then overseas ancial services companies, as well as building up its UK branch network. Mr Derek Stevens, TSB group finance director, said this could include purchase of estate agencies and life assurance brokers.

Lazards and TSB now have to price the issue low enough to help reach their goal of promoting wider share ownership, without coming under fire for selling the bank too

Mr Duncan Clegg, a Lazard Brothers director, said that if the offer was priced on multiple of 6.5 times earnings, flotation proceeds would be about £1bn, lifting 1986 pre-tax profits to £277m. Assuming a share price of eight

times earnings, proceeds would be about £1.5bn, raising pre-tax profits to £326

### Improved exports cut visible trade deficit

BY GEORGE GRAHAM

BRITAIN'S EXPORTS of manufactured goods improved last month and helped to reduce its continuing deficit on visible trade. The visible trade deficit fell to £588m in July, the Department of

Trade and Industry said yesterday, compared with £623m in June. A downward revision in the estimate of invisible trade, however, reduced the current account of the balance of payments to a surplus of £12m from £77m the previous month. Excluding oil, the visible trade deficit dropped to £869m from

£901m the previous month, with higher exports of finished manufactures more than outweighing an increase in imports, also concentrated in the area of finished manufac-The oil trade surplus rose by £2m

to £281m as oil exports rose to 7m tonnes compared with 5.4m tonnes in June. Imports of oil also rose sharply from 1.8m tonnes in June to 3.3m tonnes in July, but prices weakened more for imported oil than for exports.

The average price of exported oil in July was £57.70 a tonne, equivalent to about \$11.85 a barrel. Imported oil, by contrast, averaged only £47.90 a tonne, below \$10 a bar-

Non-oil exports in July totalled

reached £3.66bn, with a projected surplus on invisibles of £4.76bn Officials concede that the fall in oil prices may have made the Treasury's forecast of a current account surplus of £3%bn for the whole of 1986 rather too optimistic.

The lowering of July's invisibles estimate to a surplus of £600m has reinforced many analysts' conviction that the Government has also been too optimistic in its projec-

tions for invisibles. Accurate figures for the invisibles balance in the second quarter, which are due to be published next Thursday, are widely expected to be lower than the £700m a month surplus assumed in earlier official figures, reflecting reduced tourism

The terms of trade have moved in the UK's favour in the last three months, as the unit value of exports up a large UK customer base have has fallen by less than that for imclosed down their operations and

## **Appointments** on Wednesday?

From Wednesday, September 10, the General Appointments section will appear on Wednesdays.

Accountancy Appointments will continue to appear every Thursday as usual.

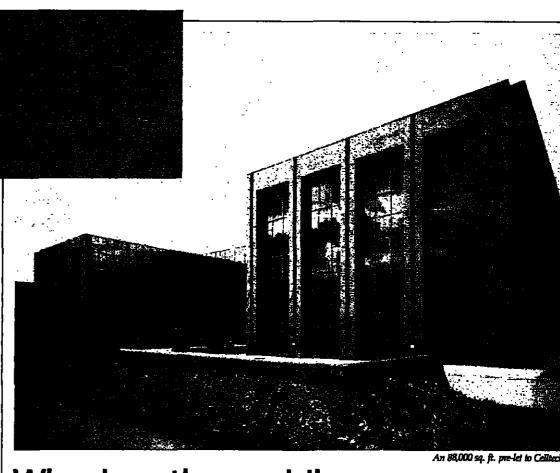
The reorganisation of the Appointments Pages will enable the Financial Times to offer a substantially improved service to recruitment advertisers and their audience.

Copy deadlines for the Appointments pages are 3p.m. on the Friday of the week preceding publication for Wednesday and remain unchanged for publication on Thursday.

For more information contact—

Louise Hunter on 01-248 8000, extension 3588 Jane Liversidge on 01-248 8000, extension 4177 or Daniel Berry on 01-248 8000, extension 3456

> FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER LONDON · FRANKFURT · NEW YORK



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## Mini-boom for computer graphics

and government agencies the task of analysing geographic data is a regular headache. Whether the object of the exercise is to determine where best to open a new bank branch, where to advertise a new product, or which parts of town need additional bus services, the problem is the same—how to present the available data in

In what amounts to the first cost-effective alternative to pushing pins into a wall map. Locations Planning (SLP) of San Jose, California, has come up with a personal computer program that generates maps showing colourcoded geographic data that can be modified at will.

SLP is one of a handful of firms riding a mini-boom in this

small but fast-growing segment the computer graphics market. In 1985, the US statistical

mapping and services market was estimated at \$40m, with about 5 per cent of that accounted for by microcomputer products. By 1990, the overall market is expected to accounted for by microcom-

SLP developed its "Atlus" software to solve its own problcms. "When we started out in the site location consulting business in 1983 there wasn't any good software available to do mapping on a personal computer," explains Stephen Poizner, president of the compony. The options were to use mainframe computer technology or do it by hand, either one of which was expensive and time consuming. So we decided to create our own software."

The result was SLP's Atlas mapping package, which was state introduced in 1984 and has record become a leader among the handful of such programs now campaigns and select potential

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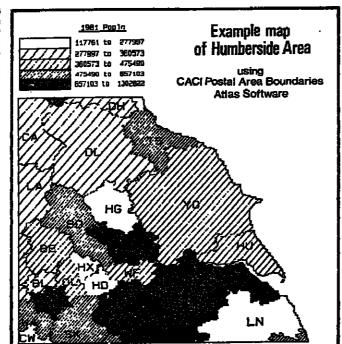
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available.
Users of SLP's programs cover the gamut of business and government agencies.

The US Postal Service recently acquired the software to help monitor nostal service.



before recommending changes or new programs," says Ed Leventhal, director of market information systems. "For exemple, we can look at an area like North Houston, and by comparing demographic data with admission and discharge data and other variables, Jetermine if an area is growing older and needs more geriatric services, or is growing younger and needs more pediatricians."

American Honda, with over 2,000 US dealers, uses the software to generate market share maps. Customer and sales information is compared with state vehicle registration state vehicle registration records to determine strong and weak markets, plan advertising sites for expansion.

For American Medical Inter- ance. In Texas, the North national in Beverly Hills, Cali- Central Texas Council of fornia, computer mapping helps Governments uses the software the healthcare provider stay to display the special characahead of market trends. "We do teristics of the area-income, a lot of situation analysis land use, apartment density-

plus the region's own demographic data, to help city planners analyse growth trends, develop transit plans, and study

zoning needs.
The National Sclerosis Society filled in a map of the United States with dots representing numbers of people with the disease and was able to relate the prevalence of the disease to weather and other

"It's a lot easier for most people to understand what's going on when they see relationships visually on a map rather than try to wade through columns of data in tabular form," explains Poizner. He sees customers using the mapping software in a broad variety of decision making roles.

A German version of Atlas is

currently under development by IBS Intergrierte Business Systems of Seelze, West Germany. (UK Gistributor Caci, in London, 01-404 0834). (Strategic Locations Planning, 4030 Moorpark Avenue, Suite 123, San Jose, CA 95117 (408) 985-7400).

### Why companies choose a P.C.

AS THE IBM PC. the machine that created business demand for personal computers, approaches its fifth hirthday, the personal computer industry is facing a major challenge. Business users are questioning the real value of the millions of PCs they have purchased, and in many cases do not plan to buy more.

"We find more and more companies are reaching some critical mass with their personal computers. They are now saying: 'We've made all this investment over the past two to three years, what are we getting from it? "." reports John Sculley, chairman and president of Apple Com-

According to Sculley, and others in the US personal computer industry, this reassessment of the benefits of personal computing is the root cause of the current market slowdown. It repremarket stowdown. It repre-sents a fundamental change in the personal computer market in which business PC makers will, for the first time, be forced to address the tricky question of: "What will a PC do for me?"

As they face the increasing scepticism of their business customers, US personal computer companies cannot help but recall the dramatic col-lapse of "home" computer sales when consumers similarly began to question the usefulness of a home comWHY USERS CONNECT

The business personal combases. In a survey of 80 of the puter market is not about to largest companies in the US, collapse, but it is changing. researchers found that 30 per Today, business users are asking: "Where is the produccent said that data communicent said that data communi-cations was their key prob-lem with personal computers. Although almost all of those surveyed said that they were satisfied with their current computer equipment, a full 33 per cent of managers said that they were not likely to tivity enhancement we ex-pected? What are people need more personal com-puters and how do we inte-grate PCs with our other buy any more personal com-puters this year.

The major concern of business personal computers, according to a recent study conducted by Dataquest, the California market research As Dataquest sees it, businesses are moving away from the concept of "personal" computers toward "work group" computing. In large and small companies alike, firm, is how to connect personal computers to other computers and corporate datathere is beginning to be a

desirability of sharing information and computer resources. the researchers report. " Computer users recognise that islands of information have limited utility. Being able to get relevant information from the originator to the requestors is the next great computing challenge, both from the vendor and user points of view," says the Work group computing in

velves sharing data, applications and resources among a group of about 10 to 20 people. The market research-ers say there are about 2.8m such work groups in the US.

Personal computers will continue to play a major role in shaping the direction of computing, the researchers

The installed base of close to 10m personal camputers in US businesses will become the platform for interconnect-ing individuals into a wider computing environment, they predict.

While Dataquest projects a 10.6 per cent growth rate for computer hardware sales over the next four years, the work the next four years, the work group computing market will boom at an annual growth rate of 33 per cent, the re-searchers predict. By 1990, more than half of the busi-ness computers purchased in the US will be acquired speci-fically for doing work group computing up from purder 18 computing, up from under 15 per cent today.

ICI selected Husky for plant research

#### Japanese investment

in Singapore

COUNTRIES in Southeast Acia COUNTRIES in Southeast Asia are rapidly moving into the information technology era, and advanced software design, thanks to Japanese men and money. In collaboration with local governments the Japanese International Co-operation Agency, JICA, the organization for technical co-operation, is sending computer experts and hardware in help set up national. hardware to help set up national institutes of advanced computer training in Singapore, Malaysia, and perhaps Thailand.

and perhaps Thailand.

The joint programmes cost the Japanese government billions of yen each year. Yet authorities believe the money a good investment in future goodwill and markets for Japanese equipment. The market for minicomputers in the public sector in Malaysia, for instance, is expected to grow by as much as 40 per cent over the next few years, according to Tako Matsuzaki, JICA representative in Kuala Lumpur. sentative in Kuala Lumpur.

Such collaboration is furthest advanced in Singapore, where joint training programmes have been running since 1981. The Japan-Singapore Limitute of Software Technology sat up in 1982 by Singapore's Economic Development Board, with technical help from the Japanese, offers a diploma course for Advances in computer to the students in computer level students in computer analysis, and programming.

A second five year pact was amounced by Singapore's Economic Development Board sariler this year. The objective of this technical assistance programme, the first of its kind the Japanese Government has expected to the Auguste. tended to any country, is to pro-vide opportunities for computer professionals to upgrade them-selves through further training.

Meanwhile, in October Malaysia will launch its own National Computer Institute with Japanese assistance. A team of Japanese experts have worked with the National Public Service Department since April to design a programme simel at training Malaysian Government officials in information techno-

### How IBM intends to beat clones

The latest clone announce-ment, from Hyundai of South Korea, appears designed to goad "Big Blue" into action. Last week Hyundai said that it would begin test marketing a \$699 IBM-compatible personal com-puter, the cheapest of its type to date, called the "Blue Chip." The Blue Chip comes with 512K of memory, one floppy disk drive, one year warranty and the MS-DOS operating system used on IBM's PCS.

KOREAN "CLONES" of the floppy disk drive brings the between workstations and main-sonal computer, as Big Blue's IBM Personal Computer con-price to \$917, compared to frames. This would be a logical first step toward a low cost PC. IBM Personal Computer con-tinue to flood the US market IBM's price, for a comparable

low-priced imports with new computer models more than proprietary technology and a once this year, and further new low-cost version of its basic personal computer.

according to industry analysts. according to industry analysts.
But price cuts alone will not be enough to beat the clones, industry leaders believe. IBM

will solve the clone issue by introducing proprietary technology, Apple Computer chairman John Sculley believes. "My feeling is that IBM must infroduce a superset of PC DOS (the IBM PC operating system) sometime in 1986," Mr Sculley

could effectively cut clone makers out of a major portion of the personal computer market.

In the meantime, IBM is might introduce such a product widely expected to introduce as early as next month. its own low-cost personal commated personal computer pro-duction plant in Texas will said at a recent analysts meetsaid at a recent analysts meeting. "I believe that with its
higher end workstations it must
have better systems integration currently introduced "PC designed to appeal to home
Convertible," a portable perusers and schools.

first step toward a low cost PC. The convertible incorporates a tinue to flood the US market as industry speculation rises that IBM will respond to increasing competition from the low-priced imports with new computer models more than low-priced imports with new computer models more than this year, and further that could go into the use of the use o create a \$600-\$700 personal computer that could go into mass production at the Texas plant. The betting is that IBM

> If the analysts are right, then introducing proprietary technology, Apple Computer chairman John Sculley believes. "My
> feeling is that IBM must introduce a superset of PC DOS
>
> IBM's new \$200m highly auto
> If the analysis are right, then
> puter aimed at schools and
> IBM's new "Home" computer
> will hit the market at about the
> same time as Apple Computer
> unveils its Apple IIGS, a 16-bit upgrade of the Apple II. The Apple IIGS is expected to in-

# Adding a monitor and a second

**THANKS** TO THOMSON-CSF **LEADING-EDGE ELECTRONICS**, THE LATEST **SLIMMED-DOWN AIRBUS CUTS** THE KILOS.

When the new single-aisle Airbus A 320 gets off the ground in 1987 it will be the first airliner with digital fly-



The first with an instrument panel that incorporates new-generation CRT displays.

And the first to feature a fully-integrated systems These innovations-to which Thomson-CSF has made

a major contribution-not only enable the A 320 to zoom ahead of its rivals. By appreciably reducing the aircraft's weight, they improve its ability to turn a profit.



At Thomson-CSF investing in spearhead technologies keeps us zooming ahead, too. Last year the company devoted 18 percent of sales to research. Over \$800 million. It's one of the ways we maintain our edge in the highly competitive world markets in which we

Thomson-CSF is a leading global producer of advanced electronics systems for civilian and defense applications. In 1985 our total revenues were \$4.3 billion over 61 percent of which was generated outside France, our home base.



The company's core business is defense electronics: avionics, defense and control systems, weapons systems, communications and data processing, antisubmarine warfare systems and training simulators.

Thomson-CSF is the largest defense electronics company in Europe and the third largest in the world. Balancing these activities are several nonmilitary businesses that share the same advanced technologies-for example, we're the world's leading supplier of air traffic

Two specialized and separate operating groups produce

medical diagnostic imaging systems and TV station equipment. Again, well over half of our sales in these two fast-growing sectors is generated outside France.

Underpinning all Thomson-CSF operations are electronic components. Our electronic com-



ponents operating group supplies Thomson-CSF units with state-ofthe-art products and is fast becoming a major supplier in the world market. Our components are everywhere.

They're out in space on satellites and on Spacelab while here back on earth they've been central to many major advanced technological projects. Including our ambitious mission - in partnership with

Airbus Industrie - to take civil aviation into the 21st century.



173 bd Haussmann 75008 Paris France

SOME MAY argue that the evidence has still to present itself. But more and more UK companies are attempting to sharpen their marketing performance by the seemingly simple device of improving their customer service. istomer service. Examples of this new "human face" of British business in-

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Panese

vestment.

clude:

British Airways sending all 37,000 staff on a special training programme called "Putting People First" in a bid really to become the World's Favourite Airline;

Barclays Bank spending several million pounds on advertising to tell customers about its new Customer Service Pro-

its new Customer Service Programme;

British Rail putting about a third of its workforce through a series of training programmes to learn how to treat passen-gers as people.

A wide range of other com-

panies and organisations has adopted similar schemes, in-cluding British Telecom, Woolworth, American Express, British Road Services, Berni Inns, and Volkswagen/Audi. What is behind this seeming sudden surge in corporate belief that the customer really is

king?
"Companies have finally woken
up to the fact that customer
service can make all the difference," believes Colin Adamson, a consumer affairs consultant and chairman of the newly formed Society of Consumer Affairs Professionals. "They are taking a more pro-fessional view about customer relations, realising that it can make a significant difference to the bottom line."

In the UK, 65 executives responsible for customer relations Privatisation. British Airways

the downturn in spending in the early 1980s, started wooing their customers by enhancing found in a private survey taken their stores and putting staff in 1983 that its passengers felt through special training that poor staff attitudes were

The new management team at Woolworth, for example, quickly more comfortable aircraft. important key to changing 1983 and the summer of last Woodworth's image and mount- year, all staff—from the chief ing an effective challenge in executive downwards—were put the High Street. Special videos on a specially designed course, explaining the importance to run by Time Manager Woolworth of good customer International. service were shown to all staff, backed up by half-hour presentations on a weekly basis. "It deliberately refers to put-Special awards are given to ting people first rather than staff who consistently offer good putting customers first," points

### Why a smile is being put on the face of service

The customer is king. David Churchill reports



An extra stimulus to com-panies to improve their service has been that customers are less concerned about price competition in the wake of a falling inflation rate.

"One of the great truths of business is that people do not always buy on price," asserts Nicholas Mendes, a West Mid-lands public relations consultant The society is based on a who has just published a pamph-similar grouping in the US let on the reasons companies which has some 1,300 members. should become more customer-

sponsible for customer relations of the processional attitude within companies and organisations have already joined the new venture within weeks of it being formed:

Three key factors have spurred companies on to adopt a more professional attitude wate sector has encouraged them. British Airways and British Telecom are among the nationalised industries intend to—switch from public to private control. The new spurred companies on to adopt wind of competition in the private and professional attitude wate sector has encouraged them. toward customers. them to ease the path with Competition. Retailers, hit by special customer care pro-

> letting the airline down, regard-less of improved efficiency or So between the autumn of

The title of the course—put-ting people first—is significant.

our staff that their colleagues are people and the way employees treat each other is just as important as their treatment of customers."

BA's efforts appear to have paid off. Tim Sullivan, managing director of AA Travel Services, recalls the day when he was travelling on a BA flight for the first time in several months and got a strong feeling that something was

"The crew were doing everything right from the custo-mer's point of view and it was obvious that they had been through some kind of training," he says. "I made inquiries and found out about their new training programme, which we subsequently ran for all our 300 travel agency staff."

 New technology. As computers and automation become more visible to the consumer, so there is an increasing need for reassurance that the com-pany cares. This is the theme of Barclays customer care pro-gramme which is currently being sold to the public via an expensive series of television commercials—estimated at cost-ing some £750,000 to make—by Ridley Scott, director of the high-tech science fiction thriller Blade Runner.

Barclays and the other banks are beginning to appreciate that while automated cash disputting customers first," points pensers and the incipient electronic funds transfer at the Pike, Industrial Correspondent. "below-the-line" tag it has sultative marketing activity," says Castling, "and on the other London W1.

point of sale systems may save them money, it can make the customer feel isolated.

Hence the theme of the commercials: in a high tech society, personal and friendly service is still available. Barclays is backing up this approach, it says, with a more open bank design and extra staff available for general inquiries at desks away from the cashlers.

Sales promotion

NEXT WEEK marks another notch—if a modest one—in the growth chart of that so-called

But is all the attention being But is all the attention being paid to customer service more apparent than real?

British Rail's glossy television advertising campaign—with the theme "We're getting there!"—has annoyed many frustrated commuters. "British Rail still has a long way to the Reil still has a long way to go before the majority of passen-gers will feel they are getting value for money," comments Major General Lennox Napier,

chairman of the transport indus-try's consumer watchdog, the Central Transport Consultative Committee. "British Rail still hasn't got there," suggests the Consumers Association, which recently carried out a survey into rail services. "BR are some way off achieving the aims it has ambitiously set itself," it adds. BR, in reply, claims that its own surveys have shown a positive change in customer atti-tudes towards the railways, as

well as an increase in passenger traffic. British Gas, another nationalised industry on the verge of privatisation which has sought to improve customer service. still has an appalling reputation among gas users for its poor level of service.

Some cynics also dismiss raining programmes, such as BA's Putting People First, as simply what is known in the US as "smile training." "We are not teaching people how to pull the wool over the customer's area." incises Chris Lang which eyes," insists Chris Lane, chief executive of Time Manager International in the UK. "It is personal development training. If an employee has a positive attitude towards the job and identifies more clearly with the objectives of the organisation, everyone benefits."

Inevitably, many customers of British Airways, Barclays Bank, and so on, will still have tales of individual grievances— suggesting that even the best training schemes cannot overcome years of prejudice. "The real problem is that the

Sales promotion means all non-media communications which effect sales aimed at the British still confuse service with servility," points out Colin Adamson. "There are deep-seated attitudes which have to consumer, salesforce or trade. That includes special offers, be overcome before effective change takes place and customers really do get service with a smile." contests, coupons, premiums, give-aways, conferences, exhibiployee communications.

registered so far, though the plan is to double that figure.

The feeling within the indus-

try and from cilents is that

sales promotion has been en-joying something of a boom, though just how big a boom, no-one knows. "The infant has

grown into a lusty youth," says
David Drakes, vice president of
the ISP and managing partner
of the Marketing Partnership.
Guesstimates of this ill-documented business put the annual

turnover at £5bn, thus out-spending advertising by about £1bn, though !his figure in-cludes everything from dis-

counting to retailers, rebates to manufacturers, in house and

Now the ISP, which represents 60 agencies and some 1,000 individual members, says

it is to try to crack the prickly problem of gauging the size of

The City too senses the buoyant mood. "Sales promo-

tion is a huge growth area of marketing and this is reflected

in the premium ratings of the quoted consultancies," says Richard Dale, marketing an-alyst of stockbrokers James

an ever-increasing slab marketing budgets.

consultancy together.

### A 'lusty youth' with growth potential

By FIONA McEWAN



tried so long to shake off, the business of sales promotion has made considerable strides in recent years towards hiking up its status and meriting consideration by marketeers as a major factor in the marketing mix, not an also-ran.

Where traditionally such promotions were the responsibility of brand managers and junior executives, now it is as likely to be the marketing director who learnt the power of sales promotion in his or her days as broad managers or even the brand managers or even the managing director who handles

New users, too, like government (the Central Office of Information is a regular client: for instance the "Monergy" for instance the "Monergy" campaign) and financial services (from banks to insurance companies and credit cards) have earned sales promotion a credi-bility beyond the limits of its

original retailer base. Since the idea is to generate sales or instigate action of some sort, sales promotions come in all guises. One of the zaniest recalled by Alan Toop of the Sales Machine, one of the first creative consultancies in the UK, was for Haywards Pickles. At the time the television commercials featured horror movie actor Vincent Price with the line "They bite back." Toop's promotion continued the mood by hanging sticking plasters round the neck of the actual jars. "A very successful pro-motion," he remembers.

One thing that distinguishes

says Jim Castling, general manager Europe for Cato Johnson, an international sales promotions company, is that effects should be measurable in terms of sales. "Any sales promotion we undertake starts with statements of objectives and must be measurable post hoe."

Objectives, though mainly to shift products from shelves, do vary. Sometimes the idea is to keep up a company's visibility to the trade and so retain interest in its goods. "The ideal sales promotion," as one practitioner puts it, "is the one that sells most product and costs the client least."

Currently, the most visible UK promotions are the petrol and newspaper bingo promo-tions, says Drakes, who gives his vote for the most successful promotion of the year to Sport Aid and before that Live Aid. Francis Killingbeck Bain, a

company, cites Heineken as one of its successful recent promotions. It ran in May this year with an offer of one can of lager free in return for four ring pulls. Assults showed that overall brand performance improved 15 per cent in volume during the month, with sales at one major supermarket chain up by 33 per cent. The speed of turnover within the supermarkets involved was up by 27

The skills required of a good sales promoter involve, on the one hand, being "highly sales

a stickler for detail and logical planning." The same person who organises a 10 pence off your bottle of shampoo promotion can find himself engineering an energy conservation programme of seminars and presentations to top industrialists.

It's all a far cry from the legendary "plastic daffodil" hawkers of the early days of sales promotion who did little more than import geegaws from the Far East to sell at a pre-

the Far East to sell at a pre-mium to retailers and manu-facturers in the UK.

In the late 1960s and 1970s,

the sales promotion creative consultancy took off; many of them flourish strongly today. But arguably the most successful and fastest growing area of the industry now is the market-ing services groups. Publicly quoted Kingsland Lloyd Peter-sen, Francis Killingbeck Bain, Holmes and Marchant along with Counter Products Marketing all offer services on top of consultancy, such as telephone selling merchandising, design or fieldforce.

A new aggressive player in the field is former Saatchi financial director Martin Sorrell, whose company WPP Group is acquiring below the line com-panies in the UK, including sales promotion, at a voracious

Advertising agencies, too, are on the acquisition trail as many of them take the multidiscipli-nary route. It has come full circle, say industry observers, who recall the late 1960s and early 1970s when many agencies tried to handle promotions themselves, but with little SDCCESS

Future growth of the industry looks likely to follow the international route, a precedent already set by the advertising industry. "More multinational industry. "More multinational clients are beginning to take an international perspective on sales promotion activities," says European campaign for Lego toys and Scotch video tapes, He now has offices in Spain and Ita:s.

Other companies, such as KLP of the Netherlands, are busy building networks throughout Europe. Cato Johnson, owned by the Young and Rubicam advertising agency, already boasts wholly-owned offices in virtually all EEC capital cities. The Sales Promotion Register is at 62 Shaftesbury Avenue,

## Is there room for another quality daily? 48 of Britain's top journalists think so.



New York Correspondent, Daily Telegraph 1984-86 NHAS Law NICHOLAS ASHFORD
Diplomatic Correspondent, The Times 1985-86 Parich Broden PATRICK BARCLAY Football Correspondent, Today 1985-86 Autony; Bories - ANTHONY BEVINS David Brewerton Chief Investment Writer, Daily Telegraph 1978-86 ANDREW BROWN Political Reporter, The Guardian 1979-86 Margie Brown MAGGIE BROWN
The Guardian 1980-86 Cuys Charles BURGESS
Deputy Sports Editor, The Guardian 1985-86 Alexander Chancellor ALEXANDER CHANCELLOR 160 havor Whathan Janks SEBASTIAN FALLKS

( NICHOLAS GARLAND The lille OLIVER GILLIE left for stephen GLOVER faretlelue sarah HELM Chief Sportswriter, Sunday Murror 1972-86 r Column Writer, Dally Telegraph 1977-86 My L Llay S NIGEL LLOYD City Correspondent, Financial Times 1982-86 CONTACT ADRIAN O'NEIL, THE INDEPENDENT, NEWSPAPER PUBLISHING PLC, 40 CTTY ROAD, LONDON ECIY 2DB. TELEPHONE 01-253 (222

George Nicholson GEOFFREY NICHOLSON Sports Writer, The Observer 1978-86 RIMNICE Edilor, New Law Journal 1981-86 Jumes Swiff Thomas Sutcliffe
Edilor, Kaleidoscope, BBC Radio 4 1985-86 Afreas Whitem Swith andreas whitem swith

WHAT HAS MADE THESE journalists, and over 100 more, leave their secure, well-paid jobs to write for a newspaper that doesn't even exist yet? The answer will appear on Tuesday the seventh of October 1986.

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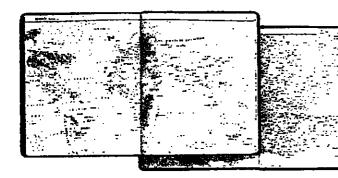
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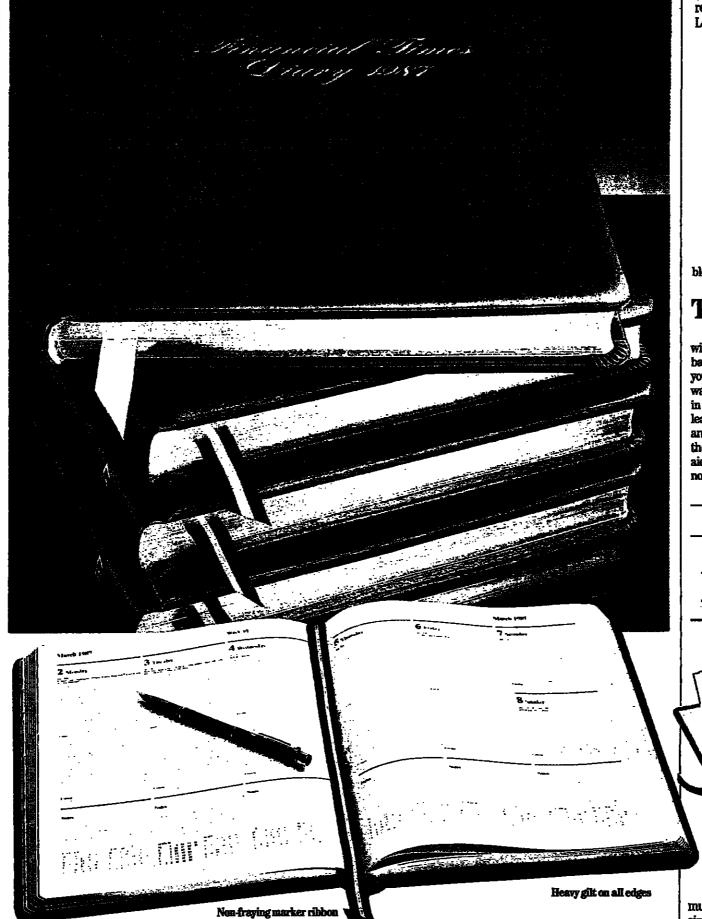


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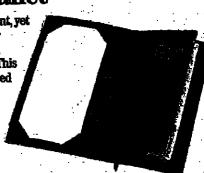
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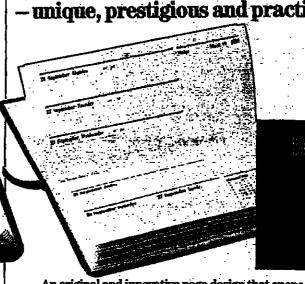
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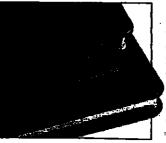


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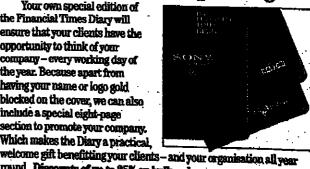


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#### Edinburgh Festival/Patricia Morison

### Portrait of Scotland's golden age

portraits of the eighteenth century.

The first canvasses might not suggest this; a leg of lamb, vaguely Dutch, and a portrait of a pug-like man which verges on the naive. Yet Richard Waitt's venture into still-life is good plain fare, the virtues still ascribed in Scottish cuisine and ascribed to Scottish cuisine and typical of these painters.

The ugly man in James Smibert's portrait was the poet.
Allan Ramsay, who denounced

"foreign embroiderles and imported trimmings," in art and

literature. He demanded to be painted honestly, and this

search for honest, empirical art, inspired greater painters to The Golden Age of Scottish Painting succeeds very well in conveying the shared ideas of poets, philosophers and artists in the Scottish Enlightenment. in the Scottish Enlightenment. But you will need the catalogue, which at £8.50 is a bargain. Portraiture was the obvious genre in which to explore the foundation of human character and understanding, typical of the philosophy of David Hume and Thomas Reid. This appears magnificently in the work of the poet Ramsat's son. Allan Ram.

poet Ramsay's son, Allan Ram-say the Younger. Ramsay's self-portrait shows a blue -jowled young man with a keen gaze. He was a close friend of David Hume, whom he painted several times. Once Hume was shown resplendent in prawn-pink and gold lace, which did nothing to disguise the was did nothing to disguise the great man's flabby form. But then, the notion of ideal beauty struck both men as absurd. Ramsay

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Depending on the matri-monial state of play it can be easy to paint one's wife honestly: much harder with a patron. Ramsay's full-length of Lord Drummore shows much of the same informality and understanding. However, the strain of painting the royal family may explain why he gave up paint-

Royals and aristocrats are

noticeably absent from the exhibition, which makes the point that this was a bourgeois cul-ture. The contrast with last winter's Reynolds' exhibition at the Royal Academy is striking. Here are no hunters and no horses, no great piles and no servants. The ladies are not followers of classical whimsy and seem neither languid nor loose moraled. A Calvinist tint might explain the lack of frivolity. Yet you should go to the Scottish National Gallery to see the famous Rerd. Thomas Walker, a famous Rerd. Thomas Walker, a will warm to Alexander parson skating with dignified Nasmyth's dove-coloured land-pleasure. He was painted by the scapes, others appreciate the

because, apart from the essential visit to Italy as a young man, he made Scotland his base. It hardly affected his career, and his great fame between 1790 and least fame between 1790 and least fame between 1830 did much to give prestige to Scottish art. Dealing with such demand inevitably led to something of a Raeburn forworld of Ramsay and Hume.

second great painter of this exhibition, Sir Henry Raeburn. In one respect Raeburn is one of the most Scottish of painters

A revelation awaits visitors to The Golden Age of Scottish Painting at the Edinburgh Festival (Taibot Rice Arts Centre until Saturday, moving to the Tate Gallery in October). The exhibition shows magnificently the coherence of aims and the sophistication of Scottish painters between 1720 and 1840. At their best they achieved some of the greatest portraits of the eighteenth century. The coherence of the greatest portraits of the eighteenth century. The coherence of the greatest portraits of the eighteenth century of the coherence of the greatest portraits of the eighteenth century. The coherence of the greatest portraits of the eighteenth century of the coherence of the greatest portraits of the eighteenth century of the coherence of the greatest portraits of the eighteenth century of the coherence of the greatest portraits of the eighteenth century prize and the sophistication of the eighteenth century prize the direct incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple, informally dressed on an even-incist are a middle-aged couple. painters fascinated with light. Raeburn was deply interested in the nature of perception. The Clerks are encircled by light,

creating a mood of tranquil twi-

Dr Nathaniel Spens at Archery could be rather a silly portrait, a man in a fussy tar-ran bonnet posturing with his bow in the greenwood. Yet thanks to sombre, impressionistic colours and a taut composition, Spens becomes a study in concentration. The arrow he is poised to release seems a symbol of human thought in an age of intellectual super-

There are many pleasures in this rich exhibition. The Runciman Brothers' pen and inks explore violent passions in the mythical age of Ossian, when it was suspected that civilisation had not dulled the senses. Some hectic romantleism of Sir Walter Scott's friend, John Thomas of Duddington.

The rage of religiose fac-tion ends the exhibition in 1843, with the Disruption in the Kirk. Sir David Wilkie's reli-gious paintings fill out last mula, but those on show in Edinburgh dispel any qualms you might have about blandness. At the end of the first gallery,

The festival's other exhibitions are a mixed bag, and with time for only one other I would choose Scotland and India at the National Library (until September 21). It shows the Scots bothering the Indians with the Bible, drafting laws for them, while making valuable contributions to our knowledge of Indian religion and society. of Indian religion and society. There are some charming watercolours.

This could seem a perverse exhibition has to be A Hotbed of Genius which tries to explain the Enlightment (Royal Museum of Scotland). The ground floor recreates old Edinburgh by creating hot black passages and providing a stethoscope contraption giving access choice for the most worthy exhibition has to be A Hotbed passages and providing a stetho-scope contraption giving access to a fruity commentary. As a plain-speaking Scottish lady announced, only the smell of feet seems authentic.

The main exhibition has many good things, including Ramsay's portrait of Rousseau in Armenian costume. liume manuscripts are interest-ing, but the exhibition is overloaded. To end with a photograph of the guillotine seems crude, although with any intellectual current it is always hard to place the full stop.

Matters improve over the road at the National Portrait Gallery with two interesting exhibitions; James Tassie's cameo portraits and Printed Light, the photo-graphs of Fox Talbot, David Octavius Hill and Robert Adamsen. These impressive early photographs link with the Golden Age exhibition, as a triumph of Enlightenment interest in light and chemistry. In the 1840s it seemed that the perfect method of finding an honest art had arrived. One of Hill's admirers said he would prefer a set of photographs to the finest Rembrandts, which shows that the enthusiasms of the Enlightenment were still burning strong.

#### Hallé & Toronto Symphony Orchestras

#### Dominic Gill

Six symphony orchestras and four chamber orchestras appear at this year's Edinburgh Pestival. Three are visitors from abroad—travelling on tour from Skrowaczewski's account of orchestra—more solid, in their extreme youth one made allow-chaikovsky's fourth symphony fashion, than the Halle, more ances for him in the way one was, in purely metronomic reliably schooled, but less finely was, in purely metronomic terms, one of the fastest I have ever heard — but without any sense of breathlessness; the metre, however urgent, was always firmly contained. The opening movement's central climax was electrifying: a massive and wonderfully flexible string sonority, worthy of the old NBCSO under Toscanini, giving the illusion of limitless force in reserve. The con facco finale was a splendid tour deforce, urged to its fiercest limits: it is rare to hear orchestral playing as exciting as this ever heard - but without any Russia, Norway and Canada (the Chamber Orchestra of Europe under Claudio Abbado belongs in a special visitors category of its own). The rest are from Scot-land and England, and include the Scottish National, the ex-cellent Scottish Chamber Orchestra, the Academy of St. Martins, the BBC Symphony, the City of Birmingham—and not least the Halle. up from Man-chester for the day. The pro-grammes have been by and large tral playing as exciting as this anywhere today. The following evening, on

Tuesday, the Toronto Symphony Orchestra under Andrew Davis arrived in the Usher Hall on the gave in the Toronto's pro-first leg of a European tour. gramme of Chaikovsky's first whimsical and wholly irrelevant They are an exceptionally solid piano concerto. In Pogorelich's dream.

reliably schooled, but less finely tuned in their responses, more predictable, and perhaps ultimately less capable of surprising. Their performances under Davis of Berlioz's Corsaire overline and Probesty's 67th properties and Probesty 67t overture and Prokofiev's fifth symhpony were technically irreproachable, but curiously dull in rhythmic impulse. irreproachable, but curiously On every page of the concerto dull in rhythmic impulse, unhe would hold up the flow of focused in colour. There was the music, wherever he could. nothing notably wrong: but nothing either outstandingly

A visiting band, jet-lagged and disoriented, can always be forgiven for a performance Chaikovsky's concerto, and more which sounds a shade out of and more a vehicle in which focus. Nothing, however, could Pogorelich could play out, to his forgive the preposterous own presumed advantage but to account which Ivo Pogorelich Chaikovsky's distinct disadvant-

with grotesque successions of self-admiring ritardandi, indulgent flourishes, senseless accents. The performance as it progressed grew less and less

#### Chinese Magical Circus

#### **Martin Hoyle**

high. Even when they are mar-ginally off form, as they were for some parts of their concert in the Usher Hall last Monday, monplace in Scotland these days, and doubtless somewhere they still sound like a major orchestra. There were a few on the Edinburgh fringe there minor fluffs of ensemble and inis a dog walking on its hind legs. Today Dr Johnson (an ambivalent commentator on tonation (notably from the horns) in the opening piece of their programme, Stravinsky's affectionate homage to Chaikovthings Scottish at the best of times) would be pithy, I suspect, sky, The Fairy's Kiss—but it was otherwise a deft and sparkat the expense of 12 charming Chinese on one bicycle, a lady ling account, beautifully shaped. standing on one hand doing a and underpinned by tremendous back-bend until she wraps her feet round her head, or a magician removing a young man's head that proceeds to One of the particular delights of Skrowaczewski's direclook sadly at its waving torso tion is the subtlety of its rhythmic inflection. The Halle's peracross the stage.

The Guangahou Acrobatic Troupe are presenting a mixed bag of juggling, conjuring, balancing and acrobatics under the title of Chinese Magical Circus at the Playhouse. The first night saw some rough edges: the stage light that thudded to earth from above can scarcely have helped the performers' confidence. A back-

Lady preachers are a com- somersaulter landed on the ball can't work it out) she turns over of his choice at the third attempt; a horizontal row of rings collapsed four times be-fore an acrobat triumphantly sailed through the top one. But many hand-stands and a lot of sailed through the top one. But the total effect was one of grace, physical flexibility and meticulous discipline.

in 1959, one of the few institu- head. tions to flourish under the Cultural Revolution. They empha-sise recent developments in

the darkened stage.

A male pole-twirler, more propellors. My lasting memory

on to her tummy and back again, without dropping a glass. balancing acts. If, as Alan Sherman's immortal song has it, ous discipline. Mexicans dance on your hat. The company was established then Chinese stand on your

The Oriental motif (The Toko Medea, The Takeda Marionettes) their art as much as its tradi- continues with Suma, pertions. The ancient pastime of formed by the Banyu Inryoku pole-climbing, for instance, has company at the Assembly been updated to include two Rooms. Subtitled Descrit Zoo. poles. up and down which the acrobats shin, sometimes upsidedown, occasionally leaping from include Walnut, a professional one to the other. Tradition is father from an institute called not ignored, however. We open "the symmetry of which is the one to the other. Tradition is tainer from an institute cancumate not ignored, however. We open with a lion dance and close with basis for reality" (though not fluorescent dragons sinuously etching serpentine patterns on the darkened stage.

A half-naked man is stamped and addressed like a letter. Some characters appear the darkened stage.

A male pole-twirler, more graceful than a drum-majoretie, keeps his rods spinning, flying, occasionally nuzzling him in deflance of gravity, without using his hands. A clown sends cross-shaped boomerangs skimming into the auditorium; they spin back to him like detached provellers. We lasting memory. like this sort of thing will find is of a young woman on her it soon at the sort of place like, back, legs and arms raised, the capital of fundamental inbalancing pyramids of delicate explicability, the ICA. Samuel glasses on hands, feet, mouth Johnson, thou shouldst be living and forehead. Somehow (I still at this hour.

#### Bolshoy Ballet/Battersea Park

#### Clement Crisp

in Battersca Park. This is not little waltz, Nina Semizorova in Battersea Park. This is not the Royal Ballet's Big Top, but a larger and smarter marquee as if its rhythms were part of seating nearly 4,000, and despite the November gales hewling around the canvas on Tuesday night, a not inept setting the state of the programme.

The evening provides a convincing view of the company, of its dov showed once again that he communicative fervour, its bigness of dauce scale and dance The programme begins with Les Sylphides, continues with the second act of Spartacus, and

ends with a handful of divertissement sparklers to send us home dazled by fouettes and mastery of monumental effect amazed by stalwart Muscovite and his company's ability to arms bearing girls aloft in triumph. (The Bolshoy men, incidentally, are as virile in their divertissement garb of claretcoloured barem pants, green tray heroism; how rare to see chiton, palest Javender long such dignity and such grandeur chiton, palest lavender long Johns or dove-grey après-ski trousers, as they are in the

As the last leg of what has The dancing is beautifully been a long and exhilarating generous in impulse, Natalya visit, the Bolshoy Ballet is Bessmertnova melting into installed until Sunday in a tent Ananjashvili gazelledike in the In Spartacus Irekh Mukhame-

> hero, and an irresistible leader of slaves, with Lyudmila Semenyaka the purest of Phryglas, and Boris Akimov and Maria Bylova proudly degenerate as Crassus and Aegina. What grips the audience's attention, in the tent as in the theatre, is Yury Grigorovich's give emotional weight and meaning to the swathes of dance which tell the story. And with what directness and sincerity does Mukhamedov porof outline in dance as in charac-



Lyudmila Semenyaka and Irekh Mukhamedov

bravely through Solor's varia- of part of Petipa's Talisman. tion from Bayadère, and Maria

And as crown of the evening,
Zubkova and Alexander Valuyev

reason enough for braving the Slaves' tatters from Spartacus.)

The Sylphides staging triumphs over surroundings hardly conducive to the romanite intended: not even the roar of aircraft or the amplification of the orchestra could dissipate poetry of these aspiring spirits.

About the divertissements I were excellent as the Indian Dolls from Grigorovich's Nutlendian Dolls from Grigo were excellent as the Indian mud in the park and the whip-

#### Marlowe/King's Head, N.1

#### **Antony Thorncroft**

If you cannot have a really good musical (and you very rarely can) there is nothing to beat a really bad musical. Marlowe, first produced off Broadway (probably in Topeka, Kansas) in 1982, is warmly welcomed to the club.

The Halle these days, under

their principal conductor of three seasons Stanislaw Skrowa-

czewski, are on a remarkable

rhythmic momentum.

formance with the pianist Peter Donohoe of Stravinsky's Con-

certo for Piano and Wind was

not entirely note-perfect; but it was proposed with such vivid good humour, and contained

such a wealth of rhythmic

nuance and delicate textural shading, that such imperfec-

tions as there were passed by virtually unnoticed.

Based around the life, or rather the death, of the Elizabethan playright who stage-managed a dramatic exit for himself in a tavern brawl in Deptford, it offers bad acting, principally through Steve Har-ley in the title role; bad lyrics, with rhymes hitting you with the subtlety of a "Sun" leader;

Harley, once a singer with rock group Cockney Rebel who has become a legend by doing nothing for many years, reduces acting to a sneer: you would hardly think him capable of writing a Christmas card. The lyrics have a remorseless beat

Trust pays £1.75m for Sheringham Hall

The National Trust is to pay £1.75m for the 770-acre Sheringham Hall estate on the north Norfolk coast. The house, by 19th-century landscape designer Humphry Repton, will be let to a private tenant

- Good guys and bad guys. Could not ignore this king of the gad-flies" just about sums them up, while the action reaches a fitting climax with the assassinated Kit handing on his quill to Shakespeare with the kindly, "It's up to you, Willie." Leo Rost and Jimmy Horo-witz were responsible for this

curiosity which they set, for the first five explanatory minutes, in an American High School. Then we are back to the 16th century and poor Archbishop Parker cast as the Grand Inquisitor determined to rid the world of that free thinking, gay, atheist, Christopher Mar-lowe. It seems rather hard on a man who was actually a Government spy and who, in Dr Faustus, wrote a most scath-

ing indictment of devil worship. But then this Marlowe is all over the place. Built up as the alternative queen he is immediately seduced by Shakespeare's Dark Lady (Seeta
Indrani, who comes out of it
all with her acting reputation

masternee. But music, audimasterpiece. But music, audi-

unimpaired).
There is something awesome about seeing our greatest threatrical names as characters on a stage, and there are undoubted mysteries attached to Marlowe's short life. But can this really be a serious

### Mozart Requiem/Albert Hall

#### Max Loppert

Berlin festival lifts the

main offering the Mozart Requiem. It was not the first the work in London, but it was surely one of the most absorbing, convincing, and successful.

Success was, indeed, all the more marked for the particular conjunction of place and style of performance—for, in recent Prom seasons, the Albert Hall has tended to work an unhappy articulation provided the key to a deeper view of the music. The dynamic edge which Gardiner insisted on giving to each semiquaver, each offbest accent, was never merely showy; the purpose was drama, and it was achieved in movement upon movement.

Tempos were "fast" — but never hasty, never breathless, has tended to work an unhappy always arrived at with a larger

has tended to work an unhappy Eliot Gardiner: and because of blazing dramatic force.
When, in performances of this

kind, balance is as nicely held between sound, style, and notes string tone, the distinct choral

At the Proms on Tuesday the timbres, even the special Monteverdi Choir and English character of the drum-beats. Baroque Soloists gave as their But here, concentration on main offering the Mozart Re- articulation provided the key

always arrived at with a larger vision in mind. Dynamics were etched with keen attention (a subito piano became once again one of the most telling exprestorium, and performing forces sive shafts in the Mozartian were all under the complete armoury). And, beyond the control of the conductor, John impact of details and single movements, one gained a new this the work was projected awareness of the Requiem — with startling freshness and even of its Sussmayr-completed passages—which was at once strictly 18th century and un-settlingly "modern." Only the team of soloists could perhaps on the printed page as it was be faulted: Barbara Bonney, on this occasion, one's first Anne Sofie von Otter, Hans response is simple delight in Peter Blochwitz, Willard White. the sonorities — the springy fine voices all, but not all suited woodwind, the rough-edged but to each other, and not all never uncouth brass, the clear ideally fitted for a Gardiner

### Arts Guide

#### Music/Monday. Opera and Beliet/Tuesday. Theatre/ Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

#### Exhibitions

LONDON

Hayward Callery: Dreams of a Sum-mer Night — an exhibition of pain-ting at the turn of the century in the five Nordic countries, organised by the Arts Council and the Nordic Council of Ministers. It proves to be an important and intriguing east-cise in critical reassestment, for though many of the painters enjoythough many of the painters enjoyed a certain contemporary fame
abroad, they were with one great exception all but forgotten in the years
after the first world war. Munch
was that exception, and the chief
value of this exhibition, which
throws a fresh light on his work, is
the demonstration that he was no
arbitrary phenomenon but the notable product of a distinctive national
and regional character. Ends Oct 5,
then Disseldorf and Paris.

#### PARIS

Mediaeval art in Paris: The abbots of Cluny built their magnificent late gothic town house in the heart of the Latin Quarter on three black-ened ruins of Roman baths. Now a ened rums of Admin balas. Now a museum, it houses mediseval works of art; goldsmith's work, carved al-tar pieces, ivories, fabrics, with two English royal standards embroid-ered in gold on red velvet. In a ritusda of its own is a set of the Lady and the Unicorn mille fleurs tapestries on allegary of the five senses, one of the masterpieces of mediaeval art, blusse de Chury, 8 Place Paul-Painlevé, Metro Odéon. casso Messenn. The 17th century

provides a fitting home for the world's largest collection of Picasso's work. It comprises 203 paintings, 158 sculptures and more than 3,000 drawings and engravings, 16 collages and 85 pieces of ceramics. It is completed by Picasso's collection of paintings by his friends such as Braque and Matisse, or by artists he admired, Renoir, Cézanne and Douanier Rousseau. Musée Picasso, Hotel Salé, 5 Rue Thorigny, Paris 3 anier Rousseau. Musée Picasso, Hotel Salé, 5 Rue Thorigny, Paris 3 (42712421). Closed on Tuesdays.
Rodin's Riches. A delightful 18th century Townhouse – Hôtel Biron – contains the life work of Auguste Rodin, whose genius opened the way for modern sculpture. In the gardens his Thinker broods, the Burghers of Calais trudge to their tragic destiny and Balzac, draped in his closk, delies time. Musée Rodin, 77. Rue de Varenne (Métro Va-77, Rue de Varenne (Métro Va-renne) (47050134). Closed Tues-

Düsseldorf, Kunstmuseum, Ehrenhof
5: Otto Panikok (1893-1966). The Passion; 60 huge charcoal drawings by
the German expressionist covering
1933-34. Ends Oct.
Essen: Villa Hilgel: The chairman of
Krupp, Dr Berthold Beitz, who is also head of the private Ruhr cultural
institute, was the moving force behind this exhibition, helped by Mr
Erich Honecker, the East German
leader. The Villa Hügel, 114 years
old, has been redecorated for the exhibition. This is the first show organised by the institute, founded three
years ago on the initiative of the
Krupp Foundation. The treasures
from the period 1694-1733 of great
Electors are on loan from Dresden's

Electors are on loan from Dresden's

state cultural collections. The eight royal collections are presented separately with characteristic master works. There is also one of the oldest and most complete coin collec-tions in the world and a huge collections in the world ann a nuge collec-tion of arms and copper engravings by Boucher, Chardin, Piranesti and Tiepolo. The picture gallery includes works by Titlan, Poussin, Velas-quez, Rubens, Rembrandt and Cra-

#### BRUSSELS

Ghent: Chambres d'Amis, 51 interna-tional artists showing in 51 private houses. Tickets, map etc from Mod-ern Art Museum, Ghent (091/2) 1703). Ends Sept 21.

Florence: Fort Belvedere: Donatello and his Contemporaries illustrates the remarkable versatility of the the remarkable versatility of the greatest sculptor of the early Rensissance. Half the 110 works here were on show in Detroit last autumn, but notable additions include the Cellini Madonna lent by the Victoria and Albert Museum, the bronze Tondo rediscovered in 1975 and two recent discoveres of possible Donatellos: The Madonna of the Murate (found in the chapel of the open-fine Florence prison) and the one-time Florence prison) and the unfinished head of a youth, found in the Uffizi store-rooms. One room contains the four outstanding Flor-entine wooden crucifixions of the fifteenth century hot counting Mi-chaelangelo's in the Casa Buonarottil: That of Brunelleschi; the crucifixion from S. Croce by Donatello, Michelozzo's from S. Niccole and

the crucifix from S. Bonaventura a

Boscoai Frati. of doubtful attribution. Ends Sept 7. Futurisms: Fiat opens its art centre on the Grand Canai with the largest exhibition to be devoted to the Fu-

turist Movement, a movement born in Italy, and the first to exalt technology, and to try to convey speed on canvas. More than 300 works have been lent. The paintings are mainly from 1909-18, but there are mainy from 1909-10, out there are also sections devoted to literature, theatre, music, architecture, fashion and furniture, showing futurism's influence up to 1930. Ends Oct 12.

#### NETHERLANDS

Amsterdam, Royal Palace: This year's summer exhibition is devoted to the work of Jacob de Wit, an 18th-century Dutch artist likened in his day to Titian, specifically to his vast painting of Moses selecting the Seventy Elders – which lines one wall of the Council Chamber – study drawings of which are now on display below the canwas. De Wit excelled in his trompe l'œil grisailles imitating stacco and sculpture, to be seen in this Chamber and the adjoining gallery. Ends Aug 31 llery. Ends Aug 31.

Bosch, Noordbrahants Museum

Den Bosch, Noordbrahants Museum. Regional costume and jewellery from the Catholic south of Holland as worn by the ordinary folk of town and country in the period 1509-1940. Illustrated with many surviving pieces, the evolution in design is further traced in paintings, prints and photographs showing the dress worn for high days and ceremonies: hantism, first communion marriage. wort for migh cays and ceremoners, baptism, first communion, marriage and mourning. The greatest variety was in the lace caps and bonnets, of-ten specific to a town or village and

richly decorated with bows and ruches. The ornate jewellery, or "pessant gold," reflects growing rural prosperity towards the end of the last century. Ends Aug 31.

Madrid, Prado Museum. French, Spanish and Italian paintings of the 18th century. This exhibition from the Prado collection includes works the Prado collection includes works not seen for 15-29 years as well as recent acquisitions. Tiepolo, Bayen, Maella, Paret, Juan Bantista, Mengs. Palacio de Villabermosa, Plaza de las Cortes 6. Ends Sept 30. Madrid, Treasures of Spain - Ten Centuries of Books. Three exhibitions gather Spain's rich book collection of 1,000 years. Biblioteca Nacional, Sala Ruiz Picasso, Paseo de Recoletos 22. Ends Sept 7.

Museum of the City of New York: Ar-bit Elatas's paintings, drawings and sculptures of Three Penny Opera covering 12 scenes and 11 charac-ters, were inspired by the historic Theatre de Lys production in 1954 starring Lotte Lenya. Ends Oct 15. Cooper Hewitt Museum: Hollywood,

Legend and Reality celebrates the history of America's greatest popu-lar culture in all its excesses and intimacies through the various trafts like production, direction, editing and special effects. Ends Oct 25.

#### WASHINGTON

CHICAGO Art Institute: Treasures of Japanese Buddhist Art, the only showing in the Western world of works from the great Todaiji Temple in Nara, Japan, includes 151 statues, hand-scrolls and intricately designed lacquered objects from the largest wooden temple in the world. Ends Sept 7.

Turner (1775-1851): Over 100 oil paintings and water colours in one of the most important Turner exhibitions held overseas. Loans (20 from London's Tate Gallery) include Rain. Steam and Speed from the National Gallery, and Lifeboat and Manby Apparatus, courtesy of the Victoria and Albert Museum. Tokyo Mu-seum of Western Art, Ueno Park. Sponsored by Nihon Ketzai Shim-bun and British Council. Ends Oct 5. Closed Mondays.

National Gallery: Viennese Renaissance sculpture from the Kunsthisto-risches Museum includes work by

### August 22-28

Mies van der Robe and his disciples of modernism shows 250 original drawings and models to better place the architect in the modern tradition through a fuller range of his works than previously covered.

Bertoldo di Giovanni, Andrea Briosco, and Alessandro Vittoria. Ends Nov 30. National Gallery: The first major ret-West. Remarkably, this will Federation. Elem Klimov, who take place with the full support of the Soviet authorities, and only one month after the city marked the 25th anniversary of the Berlin Wall.

West Berlin which would have been appropriately applied to the Soviet Plant of the Berlin Wall.

West Berlin which would have been appropriately applied to the Borne was proposed to the soviet Plant of the Berlin Wall. respective of the works of 19th-cen-tury American landscapist George Inness traces the artist from the early influence of French Barbizon landscapes through the develop-ment of his own soft naturalism with dramatic skies dominating roll-ing terrains. Ends Sept 7. The annual Berliner Fest-been unexportable wochen (September 1-28) will recently.

Andrej Woznesenski will read his poem on Chernobyl for the first time to a foreign audience. Like his friend Boris Pasternak, he was suppressed by Nikita Khrushchev and frequently deals in his poems with the conflict between man and tech-nology. Yevgeny Yevtushenko, who survived the culturally arid Brezhnev era, will offer samples of his latest works including his or instatest works including his first film, Kindergarten, with Klaus-Maria Brandauer playing a Nazi officer. The popular Andrej Bitov will read from his novel Pushkin House, which was published in the West but not in the Society West but not in the Soviet

Moscow's famed Mayakovsky Theatre will present Nikolai Leskov's Lady Macheth from Mzensk and Lev Tolstoy's Mzensk and Lev Tolstoy's September 24 in which Luciano Fruits of Enlightenment, a Pavarotti will take part along parody of the women's lib movement in the last century.

Seldom-seen Soviet films from Karan Armstrong and others.

veil on arts in Moscow West Berlin next month will been selected for screening at assume a pre-war Berlin role the Arsenal Cinema. Their when it becomes a cultural showing reflects the efforts of bridge between Moscow and the the new head of the Soviet Film

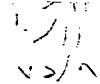
wochen (September 1-28) will provide the framework for the festival's major theme—the arts in Moscow—and may provide some clues to the impact some clues to the impact mikhail Gorbachev has had on Soviet cultural life.

Andrej Woznesenski will read Roslin Factival while Yuri Berlin Festival while Yuri Bashmet will play a viola com-position by Edison Denissov. whose opera L'Ecume des Jours was highly acclaimed recently in Paris.

Soloists from the Bolshoy Theatre will present avant garde music of the Twenties by Sherbatshev and Shostakovich composers.

In total contrast to the Moscow scene will be the festival's homage to the Polish theatre director Tadeusz Kantor, whose powerful Let the Artists Die will be presented by the Cricot 2 Troupe of Cracow.
The Deutsche Oper Berlin
will be celebrating its 25th anniversary with a gala concert on September 24 in which Luciano

LESLIE COLITY



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Thursday August 28 1986

### Farm dilemma for the Gatt

national trade negotiations, 14 ing foreign sales of primary producer nations meeting in products. Direct or indirect Australia this week have high-subsidies that have that effect

month in Punta del Este, Uruguay, another holiday resort. There, ministers of the 92 member nations of Gatt will grapple

trade, is taking direct alm at widening so long as farmers the most visible and damaging are given the financial incentive symptom of world agricultural to grow and the technology to over-capacity; the export subsidy programmes of the EEC and the US that have been determine markets for weaker. destroying markets for weaker, agriculture-dependent economies in Asia and Latin America.

Four years of argument at the Gatt headquarters in Geneva resulted in a theoretical agreement to tackle these tradedistorting subsidies. But at the last minute the EEC was unable to endorse that commit-ment because of the refusal of France (supported by Ireland, Greece and Spain) to see the Common Agricultural Policy of the EEC laid so explicitly on the bargaining table.

#### Deeper problem

Meanwhile, the Americas, whose dislike of the CAP has brought them into almost permanent confrontation with Brussels over farm trade, have indicated support for the objectives of the Cairns club. This is in spite of the fact that the US has its own "export enhancement" programme of cut-price sales which is designed to win back markets for US farmers struggling against bankruptcy. This programme for beating the EEC at its own game has further inflamed the situation, spurring the creation of the alliance cemented in Cairns this week. If export subsidies were the only issue, next month's Gatt meeting might succeed in Este could wreck an already Brussels over farm trade, have

BY IDENTIFYING agriculture goods. The existing subsidy as the most important topic for rules merely urge the signathe proposed round of intertories to try to avoid subsidis-Australia this week have highlighted a fearful disarray in
world markets.

But their declaration from the
Queensland holiday resort of
Cairns may also bode ill for the
crucial General Agreement on
Tariffs and Trade meeting next
The Gatt itself has long

resolve disputes.

The Gatt itself has long recognised the wider political implications of restoring order. Export subsidies are only the consequence of domestic farm with the agenda for a trade support programmes that round that promises to be the artificially raise the price of most politically difficult yet products at home in order to undertaken.

most politically difficult yet products at home in order to maintain the incomes of those The Cairns club, led by Ausliving on the land. And the tralia and claiming to represent gap between domestic prices nearly a quarter of world farm and world prices will keep on

Both the US and the EEC are now paying the price, in terms of record budgetary support, of unsustainable over capacity and they are reaping a harvest of ill-will from countries unable to dig into taxpayers' pockets.

Trade negotiators have probably gone as far as they can in opening agricultural support mechanisms to scrutiny and negotiation. Now it will be for their political masters, meeting in Uruguay, to decide whether the time has come at last to tackle, rather than merely to examine, the fundamental problems of world agriculture

Gatt disciplines for trade can certainly help to accelerate the pace of necessary adjustment—

meeting might succeed in Este could wreck an already drawing up a programme of frail consensus. The last Gatt negotiations for their removal, ministerial meeting, four years spite of the EEC's missings. Unfortunately, the because of controversy over blem runs much deeper. problem runs much deeper. agriculture. The consequences
Trade in agriculture has of another diplomatic failure never been subject to the same would be Gatt disciplines as trade in disastrous.

### Opening up the professions

THE THATCHER Government, unlike its predecessors, has recognised that many of the rules and regulations of professional bodies in the UK represent unnecessary and damaging has found much fault with prolimitations on competition. It has rejected the self-serving

relatively limited progress in sweeping aside professional restrictive practices. The most notable successes are the breaking of the opticians' monopoly on spectacle dispensing and the introduction of advertising in some professions. The Government has also encouraged big changes in the stock market, and has bowed to pressure over the elimination of the solicitors

the elimination of the solicitors' conveyancing monopoly.

Another report by the Office of Fair Trading, this time on restrictions imposed by architects, accountants, solicitors and barristers, may do something to rekindle the Government's radicalism. But it would be foolish to expect much in the radicalism. But it would be foolish to expect much in the way of serious reform, if only because the scope of the OFT investigation was quite narrow. Sir Gordon Borrie, the OFT's director general, has looked only at restrictions on business structure imposed by professions rather than at restrictions in general.

#### Entry restrictions

Yet it is often argued that competition is limited not just by restrictions on business structure but also by other distortions such as the erection of artificial entry barriers. This is possible because of the control professions exert over the licensing of their members. The numbers of practitioners can be licensing of their members. The numbers of practitioners can be restricted by, for example, extending training periods or raising the standard of examinations far beyond what is actually required to ensure competence. This is done ostensibly to protect the consumer but, as the OECD noted in a 1985 report on professions, the to date is that its bite has real purpose may be "to set high prices and earn monopoly bark.

profits." Entry restrictions im-posed by professions ought to be scrutinised by competition authorities.

limitations on competition. It has rejected the self-serving argument that the professions are somehow "special" and need to be exempted from market forces if the quality and integrity of their services are to be maintained.

Yet in spite of its good intentions, the Government has made relatively limited progress in sweeping aside professional

The most The most curious and inefficient fessions' curious and ine fessions' curious and inefficient it clear that, but for the pre-sent joint investigation of the legal profession's oddities by the Bar and the Law Society, this practice would be referred to the Monopolies and Mergers Commission.

#### Market forces

Accountants are a little further up the evolutionary chain than barristers and do organise themselves as large partnerships. The OFT clearly thinks that the large multi-disciplinary firms should move a step further and form limited liability. ther and form limited liability companies. This would mean that auditors, for the first time, would themselves be audited. The OFT is recommending a change to the Companies Act to make this possible. The only worry is whether incorporation could worsen suspected conflicts of interest within firms which act both as consultants to directors and as watchdogs for share-holders. The existence of many dis-

tinct (and iealous) professions results in an artificial separa-tion of business activities. This almost certainly reduces effi-ciency and raises costs for consumers. One example is the artificial distinction between harristers and solicitors. Another is the regulation prewenting solicitors from sharing fees with non-solicitors; this obstructs the provision of effi-cient "one-stop" house-buying

ORMAN WILLIS, the substantial general secretary of Britain's Trades Union Congress, leans back in his chair in the Ernest Bevin room behind his fourthfor London office, and speaks of a new positive spirit surrounding the UK's hard-pressed trade unions.

"There's a new zest now," he says. "Crushed by union laws, crushed by the defeat of the miners—that's how it was supposed to be. But that's not happened—and it won't happen next week."

Next week, in breezy Brighton, the annual Congress of the TUC assembles. For the past few years, the TUC's seaside seminar has been a racked, difficult affair, In 1983, shattered by Labour's rout in the General Election, the unions tried to come to terms with a new, limited role; the following year, Congress was convulsed fruitlessly, as it transpired—with the sound and fury of the titanic miners' strike; in 1985, the TUC was pitched to the edge of a potentially fatal split over taking Government money for ballots precipice.

Despite dark mutterings of a Despite dark mutterings of a plot to despatch him, Mr Willis and his advisers believe that this year, the unions look healthier than for some time. Certainly there will be rows over the Labour Party's new ballot-centred employment programme, over a statutory minimum wage, over nuclear power, over News Inter-national's Wapping dispute. But the possibility on the horizon of a change of Government means every effort is being made to ensure those differences are not debilitating

"People are conscious of a decision-making process that is a run-up to a General Election," says Mr Willis. "People are aware of the need for priori-

They need to be. Because away from the formal, high-level world of Brighton, the sweeping changes in the way people work and in thin attitudes towards trade unionism are posing a daunting challenge to Britain's trade unions At its most basic level, a clear

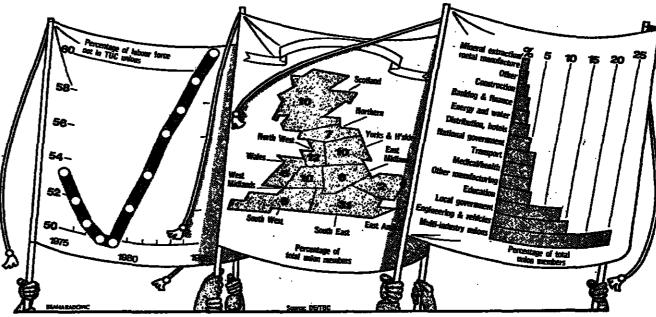
and growing majority of British workers no longer belong to a trade union. Non-unionism has shot up, as shown in the accompanying graph. Based on data from the TUC and the Department of Employment, trade unson density—the proportion of workers in TUC unions (the most reliable membership guide)—is now below 40 per

Compared to the US, where only 19 per cent of workers are in unions, or West Germany, Japan, or France, whose union density figures are still lower than in the UK, this gives union leaders gathering in Brighton some crumbs of comfort. But there is precious little other comfort in the figures.

In some industries, the change in union membership in the recession has been startling. Construction, for instance, has

The rise of non-unionism

Geographical distribution



BRITAIN'S TRADE UNIONS

## At war with a wasting disease

By Philip Bassett, Labour Editor

traditional areas, like Wales (64 per cent), or the North (67 per cent), but low in areas where there are a large number of new jobs—the South-East of new jobs—the South-East (41 per cent), East Anglia (20

within this pattern, research by the Open University found that the old-established centres of union organisation are becoming numerically marginal: in the AEU engineering union, for instance, more than half the union's members used to be in five key areas—London, Lancashire, the West Midlands, South Wales and Glasgow. But as a

The majority of workers are no longer members

result of the recession of the 1980s, these core areas together now have many fewer members than areas which were pre-sidently considered paripheral years of Mrs Thatcher's administration fall by 28 per cent.
Overall, as the graph shows, it is concentrated in cross-industry unions, heavy industry and the new highly-unionised public sections.

Viously considered peripheral.

Professor Doreen Massey of the Copen University says that the trend is continuing, and is concentrated in cross-industry unions in the growth areas of the country. Such as the Massey of the in unions? In some cases. is concentrated in cross-industry unions, heavy industry and the new highly-unionised public section with the country, such as the M4 computer belt. Scotland still many union members in the Around the country, too—
Apart from the south-east, which accounts for the bulk of UK shipbuilding and mining. But jobs—most union members are all those industries are in still found in the industrial decline, and in the growing heartlands, which have borne high-tech "Silicon Glen," the brunt of company closures. Scottish Development Agency's It is because they cannot be—more and more employers, especially those setting up for the first time do not see the need for unions and do not recognise them. This is particularly true of foreign-owned the brunt of company closures. Scottish Development Agency's It is because they cannot be—more and more employers, especially those setting up for the first time do not see the need for unions and do not recognise them. This is particularly true of foreign-owned the brunt of company closures. Union density is high in the

Britain's unions have failed to crack these new industriesfalled to follow the work. Employment has shifted mas-sively from manufacturing, hit hard by recession, to the private-sector service industries promoted by Lord Young, the Employment Secretary, such as tourism, hotels and restaurants. The unions have not followed

suit. Jobs in services rose in the six years from 1979 by 9.8 per cent. But in the privatesector service industries, union density remains very low: the general GMBU union, which has tried hardest to organise in

tried hardest to organise in hotels, estimates union membership there at only 6 per cent. Not only have the unions failed to penetrate the growth sectors of work; they are slipping badly in their traditional base. In manufacturing, trade union membership has slumped still further, by 24 per cent. Why? Why don't people want to be in unions? In some cases, it is because they cannot be-

Professor William Brown, of Cambridge University's applied economics department, says: "The employer's control of recognition has always been a crucial determinant of union development." Partly, though, it is because people simply do not want to be in unions. IBM is only the

Science parks and industrial estates in growing new towns like Milton Keynes are full of

the production lines react in amazement when visitors put with a large part of their the pace of technological adthe idea of trade unionism to economic muscle gone, the vance, and its shopfloor impact, leads unifold the pace of technological adthetical the pace of technological adthetical trade unionism to economic muscle gone, the vance, and its shopfloor impact, leads unifold to the pace of technological adthetical trade unionism to economic muscle gone, the leads unions to adapt; and

most prominent example of a non-union company where em-ployees, when asked, rejected trade unionism.

non-union companies like West-inghouses UK subsidiary, the robotics manufacturer Unimation, in Telford.
There, women soldering on

them: "what do we want with that here?" Or a teenager worker at Sanyo, in Lowestoft, which does have a union (the electricians' EEPTU, with a strike-free deal): "I don't bother joining, because there's too much argument. I'd rather took here to work do my

panies showed that 63 per cent of electronics plants were non-union, for example, of electronics plants were non-union, rising to 86 per cent in only an in-house company lip were broadly sympathetic to unions, but were not memlup were broadly sympathetic to unions, but were not mem-bers. Of those who are members most are not actively involved: Mori found recently that while almost two-thirds of union members voted in union elections, and the same percen-tage had at some point been to a union meeting, only 29 per cent had put forward a proposal at one, and only 16 per cent served as a shop steward. A fifth of mebers, had participated in no such activities at all.

> Re-invigorated by the chance of a Labour government

to secure locks un

haps more reliable estimates place it in single figures. Dr David Blanchhower of Warwick University sees a 10 per cent lead for unionised semi-skilled workers, as little as I per cent for skilled worker, in unions.

Faced with all this, what are unions doing? "What's significant," says Mr Willis, "is that it's not a period of istenchment. Unions are saying that they want to go forwards, that they want to go forwards, that they want to give consideration to the changing patterns of industry and the changing patterns of employment."

On the right, the FETPU electricians and AEU engineers are trying to break into nonelectricians and AEU engineers are trying to break into non-unionism through their contro-versial strike-free deals—sign-ing up members by signing up managements. On the left, the transport workers (TGWU) are starting to give a lead towards adapting union thinking and membership to the new work

adapting union thinking and membership to the new work environment of more women workers, more part-timers, more temporary work.

In the centre, the GMBU general union is trying to combine both approaches. In its stress on individual, rights which will form a substantial part of the employment law part of the employment law package to be adopted by the TUC next week and the Labour Party next month, the GMBU is trying to attract people to trade unionism not through collective action, but through the unions. action, but through the unions' ability to police and enforce individual legal protections.

individual legal protections.

"We have to start by dealing with individual working people as individuals," says John Edmonds, GMBU general secretary. "We have to prove we can do something for them as individuals. Then we can prove to there how much more powerful they can be how much powerful they can be, how much more dignity they can have at work, if they act collectively." Coupled with that is a drive, dubbed Into 2000, for members in the high-tech sector, which provides some of the strike-limiting elements of the EETPU's deals together with the offer to tightly-staffed elec-tronics companies of, in effect, contracting out to the union some of their personnel work, such as health and safety.
Whether pitches like this will be enough to make an

impact on non-unionism, especially in these employment growth areas, is clearly at best open to question. Union leaders like Roy Grantham, of the white-collar union Apex, believe that high technology sectors will eventually be unionised just as the previously non-union car industry was in the 1930s and 1940s (though as Jack Jones, former TGWU general secretary, reveals in his new autobiography\*, that happened principally because of regulations imposed by government

during the war).
There appears little hope for unions of such major break-throughs in future; unemploy-ment looks set to continue at current, or higher levels; change in the composition of workforce will make fresh demands on unions to adapt: and acheivements for their memb-rs
simply by virtue of membership

Despite all that, Norman
willis may still be right, After size is much reduced. the wintry days for trade union-Gallup finds that about twothirds of those surveyed thought of a Labour government is at that wages and conditions least in part re-invigorating would not have got to their some of the unions. Whether it for ideological opopsition. The sum of not have gut to their some of the timons. Whether it present levels without trade will be enough to send the blood unions.

But this perception may be Brighton next week into the now changing. Although some estimates of collectivism coursing from But this perception may be Canaging. Although some of the timons. Whether it will be enough to send the blood of collectivism coursing from Brighton next week into the now will be British trade unionism's ferential at a very high level—as much as 74 per cent—per-

### CHRISTIE'S=

on 8 September 1986 are moving to

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#### **Men and Matters**

on screen General Electric, the US in-

Wright goes

dustrial giant which acquired NBC as part of its \$6.4bn take-over of RCA has made no secret f the fact that it hoped Grant Tinker, aged 60, would stay as chief executive of NBC currently the most successful of the big three US TV networks. Under Tinker NBC rose from

a lowly third place in the rat-ings to top spot, enabling NBC to survive the sharp downturn in the US TV advertising market better than the others. However, Tinker, who created

hits like the Mary Tyler Moore Show and the Bob Newhart Show, before joining NBC, said some time ago he wanted to go back to film production. He has been looking for a successor who could maintain NBC's

premier position.
Tinker wanted GE to pick one of his NBC executives. But GE has, instead, appointed Bob Wright, aged 43, a rising star in the GE heirarchy who at last count had held 11 jobs in 12 years.

Speculation that GE was going to put one of its own people into the top job at NBC has caused considerable consternation at the network. sternation at the network. Wright's broadcasting experience is limited to a stint at a cable TV company which he tried to buy, and recently he has been chief executive of General Electric Financial Services. He last hit the news when he masterminded GE's acquisition of Kidder Peabody, the US investment bank.

However, any doubts that However, any doubts that Tinker might have had about putting a non-TV man into the top job at NBC appeared to have disappeared this week when Tinker hosted a press conference at NBC's Rockefeller Centre headquarters to introduce his successor. "Those of us who have been working in the forest so long really do not have a lot of

wishes to retain its dominance in the broadcasting industry. Tinker calls Wright a "vision-ary and adds: "The timing of his arrival could not be better."

Lords' aid

Britain's National Health Service has its problems, but at least the people of the Western Sahara are benefiting.

Liberal peer the Earl of Win-chilsea, aged 49, who is heading an aid scheme for the area, says: "It's rather ironic. We wrote to every area health authority in the UK asking for help — equipment, not money. We had a great response, from bedding to X-ray machines made redundant by hospital

He is working with a Tory friend, Lord Wise. It all began when Lord Winchilsea went to the Sahara as a Liberal Party representative. He was in the area where the Polisario Front is fighting a war against Morocco and decided that something should be done about the poverty there.

Lord Wise. They made another trip and the aid scheme was launched.

CIOSEG UDOFS

Selling expansive cars in a city as depressed, economically speaking, as Liverpool might

Lord Winchilsea doesn't expect any backing from the Government. The best he can expect from his seat in the Lords is to strike lucky in a bellot for a short debate. He is working on that. But up to now his approaches

working in the forest so long really do not have a lot of vision about what is over the horizon" said Grant Tinker, who believes that network TV in the US will have to make some fundamental changes if it to industry have been doing nicely. ICI is sending out con-



rise when there's a scarcity— petrol when there's a glut."

hope it will grow and grow like Topsy.

### Closed doors

eem an uphill way to make a

Yet two local businessmen, Taibot Smith and John Ireland, have built up a successful dealership in Mercedes-Benz cars and trucks there in the past six years.

Business is so good for them

But it so happens that their building is alongside the Albert Dock preservation project where the atmosphere of Liverpool in the great days of sail is being nursed back to life with a maritime museum of historic patricular.

The development authority was not keen on a scene of 19th-century dockland being over-looked by a centre of 20th-century technology — and German at that. A spirit of compromise pre-vailed. Inside the showrooms

the cars will look their modern best on a floor of white tiles with mirror ceiling above, and discreet spot-lighting. Outside, the wall of the Road Range company facing the dock will be lined with old warehouse doors to step back a century in time.

#### Just a sideline The links between building

nuclear power stations and grow-ing plants in test tubes are not obvious. But to Ron Rutherford, Rutherford has an engineer

ing background and is head of the corporate office of the National Nuclear Corporation, the Knutsford, Cheshire-based organisation owned jointly by the Energy Department and pri-vate industry, which is respon-sible for building nuclear reac-

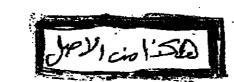
In his spare time he is also chairman of Microplants, a small company in Longnor, Derbyshire, which is carving out a niche in the new business of test-tude plants. Grown in laboratories, they propagate at a tremendous rate and resist disease better than most plants grown by seeds or cuttings. grown by seeds or cuttings. Working in the neuclear industry these days calls for diplomacy. Rutherford will have scope for this over the next few months as he tries to drum up £250,000 from venture-capital groups, and the agriculture industry, as extra heating for this new interest. backing to this new interest.

Observer

Change of Address

Christie's in the City





SOONER OR later it has to happen, but will today be the day?

day?

This morning, the 16 men and one woman who comprise the policy-making council of the Bundeshank gather again in the central bank's modern head-quarters on the edge of Frankfurt. The meeting is a regular fortnightly affair. But in the eyes of an impatient world, only one thing matters: will only one thing matters: will they finally decide on what everyone outside West Germany believes to be long overdue—a reduction in the country's key

It is an argument which has dominated an ill-tempered sum-mer of international economic diplomacy, stretching far beyond the contours of mere domestic monetary policy. Rightly or wrongly, what the Bundesbank chooses to do with its discount and Lombard rates is now seen abroad as the touchstone of a smugly successful West Ger-many's readiness to do its duty by a flagging world economy. Inflation after all has disap-

peared, the trade and current account surpluses are set to break every record in 1986, while the Federal budget is in virtual equilibrium. Surely all this gives Bonn a leeway, to nudge growth above its present 2.5 to 3 per cent annual path. and bring down unemployment from the level of 2.1m, or 9 per cent of the workforce, where it has been stuck for three

Until last week it had soemed March ? that, for all the angry words, a tacit agreement had emerged that the Bundesbank would move, but some time in for Boan's long reluctance to national competitiveness. or some 60 per cent more than classic macro-economic rules of macro-eco

GERMANY'S ECONOMY

## The big engine that wouldn't

By Rupert Cornwell in Bonn

York, of last September 21, when the leading industrial

On August 20, spurred by On August 20, spurred by ever more depressing evidence about the faltering locomotive of the US economy, the Federal Reserve surprised the Bundesbank and most other people by reducing its own discount rate again, to a nine-year low of 5.5 per cent.

So, conceivably, the Bundes-bank might feel itself obliged to act today, even against its better instincts, and if only to prevent the mark appreciating further against the dollar. But the irony is that a decision which has now become high theatre may have little real impact where it is really sup-posed to: on the West German economy itself. A cut in the discount rate, currently at 3.5 er cent, will be the first since

Quite apart from a natural diskike of being bullied by less virtuous rivals, the main reason be the third largest industrial power in the free world, but its capacity to have a decisive bearing on events elsewhere is limited. As Mr Martin Bangemann, the Economics Minister, put it the other day: "In so far as we can act as a locomotive for the rest of the world, we already are."

If the present drumbeat of statistics is anything to go by, he may be right. True, in the first quarter the economy contracted: but the second quarter saw an estimated growth of 1.5 quarter. Assuming a decent January 25 1887. second half, the Government's longstanding target of 3 per cent for the whole year should on foreign trad be met

More important, the centre of economic gravity in West Ger-many is demonstrably shifting from the export sector to the home market. A falling intake though annual export growth is of foreign orders by many now under 2 per cent in terms major companies is showing of volume. In 1986, foreign how the surge in the mark is critics complain, that surplus already eating into their inter- may reach DM 115bn or \$55bn,

York, of last September 21, when the leading industrial countries agreed to pursue a lower value for the dollar. That probably is still the wish, but events have moved swiftly since.

that the economy is already tributed to a 7.5 per cent jump doing very nicely on its own. West Germany, moreover, may be the third largest industrial the OECD predicting a rise this power in the free world, but year of 10 per cent over the hearing on events elsewhere is the common of the commo The combination of zero in-

flation and wage settlements averaging some 4 to 5 per cent has put more money in people's pockets; indeed, for the first time since 1978, personal consumption this year will rise more rapidly than overall economic activity, a fact which more than any other explains the universal conviction that even the lacklustre Chancellor Helmut Kohl can hardly fail to win the Federal election due on

None of this of course ex-

plains why the country's surplus on foreign trade, that most tangible proof of the imbalance between West Germany's capacity to produce and capacity to consume, continues to grow remorselessly, even though appeal export growth is

It is, in a word, the famous "J-curve," the graphical short-hand for how appreciation of a currency tends at first to increase the trade surplus it is meant to reduce. This time, across the Atlantic, Washington might be better employed reducing its runaway budget deficit. in his view the root of America's In fact, however the two sides

moreover, the phenomenon has been exaggerated, as the collapse in oil and raw material prices has joined with the upward valuation of the mark may differ in their interpreta-tion of the facts to hand, their fundamental diagnoses of what to push import prices 20 per cent below the level of a year truly needs to be done in West Germany, beyond the cosmetics ago. The Economics Ministry claims that had key commodity of inevitable interest rate adjustments, are not dissimilar. prices remained the same, the Significantly, the annual report on West Germany last trade surplus in the first six months would have been not DM 50.38bn but DM 19.3bn. month from the Organisation for Economic Co-operation and Development (OECD), was notable for its omission of any

Those are the figures on which the Germans rest their case, that the framework for recommendation, however steady long-term growth, the country's best offering for coded, that Bonn take immediate action to stimulate growth. Rather, it argued for "supply side" structural incentives to future global prosperity, is in place. But there are other, more human, reasons for what others may see as an infuristing steer it towards faster longblend of caution, complacency and stubbornne

No one likes being told what to do by those less successful They include lower taxes, deregulation of the protected than themselves. The Germans sectors like transport and telecommunications which abound feel they have played by the

Finance Minister, let slip ment to speed up its halting recently in a revealing aside. programme of privatisation, and Instead of firing verbal salvoes to cut subsidies. All are moves calculated to

appeal to the free enterprise instincts of Mr Reagan's America. They are also, more or less, the very goals to which Mr Stoltenberg and Mr Kohl say they are striving. On the tax front, a DM 20bn package of hand-outs in 1986 and 1988 is already in motion. Reform of the country's

capital and share markets is inching forward, while in June, Mr Stoltenberg—not least because of a need to massage his 1987 budget returns— announced plans to raise DM 4.5bn by selling off the remaining Federal Government holdings in the car manufac-turer Volkswagen and the energy conglomerate VEBA.

Everything, of course, dependent on Mr Kohl and his centre right coalition being returned to power in five months' time. But even the rumbling international debate on how Bonn should run its economy has in practice provided a free extra platform from which the Government

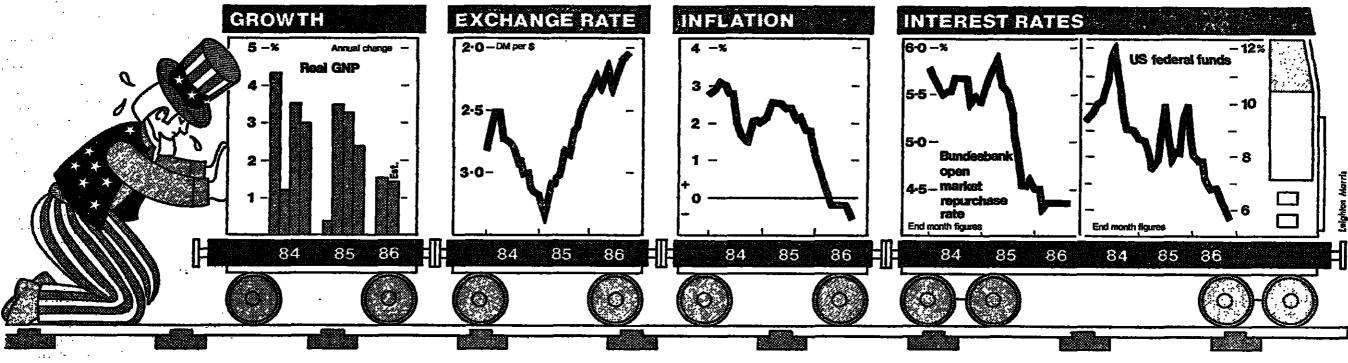
can trumpet its successes. The Chancellor has been

helped too by the failure of the opposition Social Democrats (SPD), either to come up with a credible alternative strategy of their own—or somehow turn the arguments of Washington to their own advantage. It is always hard to quarrel with proven success.

At its party congress in Nuremberg this week, the SPD has been advocating extra pub-lic spending to create new jobs, and wants to shift a greater burden of taxation onto the shoulders of the higher paid. But in economic policy as else-where, the underlying mood of the country is against them Even SPD voters, albeit by a tiny 29 to 27 per cent majority admit that the economy, in the first four years of the Kohl

Neither is the unemployment issue of much service. Government claims that 600,000 new jobs will have been created in 1985 and 1986. Even though to it that the gains have not shown up in the unemployment statistics, many analysis reckon that the trend there is now starting. however slowly, to move in the right direction.

The Chancellor in short has as yet little incentive at home to change tack, whatever his critics abroad may think. It is possible of course that the world econo-mic slowdown may spread to West Germany as well: but until it does Mr Stoltenberg will continue, as is his wont doggedly, cautiously along his chosen course. And it is one on which a cut in West German interest rates—today, in a fort-night, or a month—will be little



#### Unemployment in Europe

Sir,—It is not fair to say, in your leader of August 22 in relation to unemployment, that "West Germany is coping while other European countries flounder."

Surely Sweden has about the Surely Sweden has about the best record in Western Europe, with an unemployment rate of around 3 per cent all through the 1980s against West Germany's 8 to 9 per cent. Sweden has been most successful, I believe, because it has used almost every unemployment reduction measure in the book, such as early retirement, job such as early retirement, job creation programmes, subsidies for hard-to-place workers, restrictions on overtime, re-location aid for job seekers, special services for the unemployed a network of 60 training centres and the "youth real"

major factor in the Swedish attack on unemployment is the highly efficient National Labour Market Board which embraces all aspects of training and employment. All vacancies are centralised with a daily computerised list on screen at each local office. There are no private employ-ment agencies (as is indeed the case in most European countries). Registration of vacancies tries). Registration of vacancies by the employer is compulsory.

Each unemployed person is monitored and suggestions made as to jobs or training. A young person cannot be unemployed for long; if no suitable occupation can be found, in the last resort a job has to be taken in the "youth pool."

If the UK had a regime which never allows any unemployed person to be out of sight for too king, which has a centralised board that has power and money to manage unemploy-

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money to manage unemploy-ment and which has few prob-lems of labour mobility. tems of labour mobility, unemployment here would have been very much less. But it would require more regulation and control, which would be scarcely popular when everything else is being deregulated. The Swedish system is very accountable with the contribute of the contribute was to be contributed. Mary Control of the Section of the S expensive but it has certainly prevented mass unemployment which would have been more expensive still.

Edwin Whiting. Greybeck, Kinder Road, Hayfield, Stockport.

#### The Danish experiment

From Mr Birger Jarulf Sir,—Thanks for showing interest in Denmark's situation in your editorial comment (The Danish Experiment, August 18). The situation is indeed remarkable

A devaluation of the Danish krone is not, however, a solu-tion to the one outstanding problem in the Danish economy. The interest of Denmark's foreign debt is of the same magnitude (DKr 23bn) as the

### Letters to the Ealtor

balance of payments deficit. and significant flaw in what can This means that a devaluation now be billion pound deals and of say 5 per cent would for sure worsen the foreign deficit with in class one circulars cannot be and would, due to the high im-port quota in Danish industrial exports, require a 3-4 per cent increase in Danish exports

before break even.

Due to the government's success in creating jobs in the private sector, there are short-ages of labour in certain sectors of the labour market. Male unemployment is below the 5 per cent mark.

cent mark.

The additional activity and jobs which the export sector nopefully would bring as a result of a devaluation, would create more bottlenecks in the labour market. This would make it more difficult to keep inflationary pressures in check, which for the government is extremely important right now since the bi-annual wage negotiations have just started. These negotiations regulate wages for about half the Danes,

Unfortunately for the Danes, the only way ahead is more fiscal austerity so that the pur-chase power reduction will diminish the Danes' appetite for imports. Luckily there are signs that this is happening already.

Birger Jarulf 6314 Unteraegeri

#### Flaws in City self-regulation

From Mr George Robertson, Labour MP for Hamilton Sir,—Lex (August 23) lets Guinness off the same hook on which it so effectively impaled the company when the original listed document commitment

decision to oreak a class one listed document commitment was made public.

I do not believe that the damage done by the Guinness example to the idea of self-regulation should be underestimated. Apart from the question mark over the future word of Mr Saunders, there are far graver implications.

In a letter to me on the subject last month, the Director General of Fair Trading said this: "The position of a bidder, faced with a situation in which its expressed proposals would seem to be inappropriate once the merger has taken place and a better understanding of the direumstances of the target company is achieved, is a difficult one that may not be catered for within the present underfor within the present under-standing of the City's self-

regulation provisions."
48 Bromya
There is, therefore, a major
Worcester.

matter for genuine and real concern then I cannot imagine

After a cosmetic repair job and a feeble and wholly inade-quate explanation for its outrageous behaviour. Guinness is apparently off the hook because nobody knows what to do about conduct which all parties to the self-regulation facade acknowledge. ledge to be beyond the pale.
Guinness PLC may have finally blown the gaffe on the idea of the City policing the City, and that would be one minor cause for satisfaction in a grimy and distasteful episode George Robertson MP. House of Commons, Westminster SW1.

#### Time zone advantages From Mr John Locke

Sir,—I note from your article regarding London's pre-emi-nence as a foreign exchange trading centre (August 20) that one reason is "a time zone which overlaps with both the Far East and North America."
There is a nine-hour time difference between London and Tokyo, five hours between London and New York and 10 between New York and Tokyo.
London is therefore not significantly better placed in relation to Tokyo and New York than is the latter in relation to ondon and Tokyo. Best placed of all is Tokyo. being almost exactly halfway between New York and London. John E. Locke, 101 High Kingsdown,

#### Revising tax legislation

Pariner, Hodgson Impey,

Richmond House

48 Bromyard Road,

From Mr J. G. Ruddock. Sir.—To support Mr D.
Tallon's letter (August 19) I
would have thought in this day
and age with the multiplicity of word processors and computers about, revision of legislation could be done by repealing and replacement of whole Sections, Parts, or even Acts without having the legislation for taxes getting longer every year giving so many different places to look up for one subject. J. G. Ruddock.

#### The tide of imports

Sir.-Your editorial on the latest quarterly review by the National Institute for Economic and Social Research (August 21) did not go far enough to counter the near fatalistic tone of the review. Judging from your report, the NIESR has failed to take sufficient account of import substitution in assess-ing the improvements for manufacturing industry from a weaker £.

The decline of UK industry, particularly over the last seven years, has been due more to import penetration than loss of exports. As an example, look at the UK paper and printing

industries.

Paper ('000 tonnes) 1984 3,591 4,528 533 Production Imports Exports Consumption 7,586 6,913 Source: British Paper & Board Industry Federation

In the last seven years, paper imports have not only taken all market growth of 673,000 tonnes but also displaced 492,000 tonnes of UK manufactured paper. UK paper mills however have increased exports by 194,000 tonnes.

Printing ('000 tonnes) 1977 1,348 105 Production Imports

Exports 175 164 Consumption 2,055 1,289 Source: Paper Market Digest. It is in the nature of printed products that the vast propor-tion will be produced domestic-ally. Some products, however, usually bulk items, are susceptible to international competi-tion and in this sector the impact of a strong £ has been similar to that on paper. In the seven years to 1984, imports rose by 161,000 tonnes but exports managed only a modest

What is evident from available data for 1985 and the first half of 1986 is that the papermakers have already started to reverse the tide of imports and printers are at last calling a halt to import penetration. The basic issue is that the

rise of 11,000 tonnes.

main damage to British indus-try from a strong f has been a surge in imports. On the evidence now emerging from the paper and printing sectors, this trade can be won back by industries who have invested in new and more competitive capacity. The NIESR should give further consideration to the potential to win back domestic business which is bound to occur more quickly and in larger volume than any improvement to export per-Peter D. J. Ingram,

Paper Management Services, Kings Langley, Herts.

#### ADVERTISEMENT

### !!!F \* \* D! ECCEU

### **Microwave accuracy** with car Speedmeter

Using microwave technology developed for radar and guided missiles, Plessey is bringing new accuracy to the measuring of speed in car manufacturers' rigorous testing programmes.

Called the Plessey Speedmeter, the new device revolutionises car testing in many aspects, including fuel-permile measurements required by law in most countries.

A tiny doppler module under the vehicle sends out a signal that bounces off the road and returns. The different character of the outgoing and returning microwaves indicates speed with a precision hitherto unattainable

Granada police concept car for the 1990s now being demon-

strated to police forces through-

out the country is equipped with a Mobile Data Terminal sup-

plied by Plessey.

The law-enforcement ver-

sion of the Granada has a

wealth of high technology equipment on board, making it

one of the most sophisticated

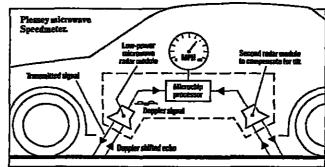
police vehicles on the road. Its

Plessey Mobile Data Terminal

effectively provides a built-in computer terminal, consisting of a high-visibility display and

It operates over the police

keyboard for messages.



radio, which provides a high-

speed data link, to send and

receive both alphanumeric and

graphic information to and

The equipment is currently in use with police forces in

Sweden, Belgium, Hong Kong, the UK, USA and Canada.

from police headquarters.

**MOBILE DATA** 

IN NEW POLICE GRANADA

Tests can be conducted without wheel slip or bounce causing false readings. Because there are no moving parts in Speedmeter, and no physical contact with the road surface,

reliability is extremely high. Among the companies interested are Volkswagen, who have tested the equipment

under all types of road condi-

tions and are highly impressed.

So was Richard Noble when his Thrust 2 broke the world land speed record for Britain in Nevada in 1983, with the Plessey Speedmeter aboard.

#### **TOUGH** NEW **COMPUTER MODULES**

Plessey now has a range of military and rugged computer modules based on the popular VMEbus. They're a natural development of the existing product range which includes other military processors and commercial VME cards.

The new range of cards includes a 68020-based 32-bit processor, bringing the power and speed of this state-of-the-art microprocessor and the versetility of the VMEbus to the designers of military and ruggedised equipment.

Military versions are designed for conduction cooling over the full military temperature range.

Rugged versions are electrically identical but operate between -40°C and +85°C with forced air cooling.

#### WATCHMAN FOR CAA **CROMER RADAR**

The UK Civil Aviation Authority has chosen the Plessey Watchman primary radar for its medium range air traffic control requirements.

UK companies competed are of prime importance for the strongly for this system, which will be sited on the Norfolk coast close to Cromer.

It will provide low-level surveillance in the southern North Sea with the prime objective of monitoring helicopters flying to and from North Sea rigs.

The CAA's new radar station, known as Cromer Radar, will be unmanned and will feed radar data to a new air traffic control facility being set up at Stansted Airport.

travelling wave tube. Highly efficient anti-clutter performance, a particular feature of Watchman, is also vital, as Cromer Radar is subject to ground clutter and, at times, heavy sea-returns.
Plessey was able to meet the

extremely tight schedule set by the CAA, and will undertake the system integration and installation which will carry an on-mounted secondary surveillance radar antenna.

remote station. Watchman

radar can meet this require-

ment with a single mediumpower transmitter, based on a

The Ministry of Defence has aiready chosen Watchman for use at Royal Air Force airfields and Royal Navy stations as well as at the important airfields at Boscombe Down, Famborough and Bedford.

The height of high technology.

## FINANCIAL TIMES

Thursday August 28 1986



### **Frontier Airlines** expected to file for protection

By Paul Taylor in New York

PEOPLE EXPRESS, the financially troubled US airline, said yesterday that it had failed to find an alternative buyer for its Frontier Airlines subsidiary. Frontier was expected shortly to file for protection from its creditors under Chapter 11 of the US bankruptcy code.

People Express had been counting on selling Denver-based Frontier to United Airlines for S146m to help to solve its short-term cash problems. The sale to United has been thrown into jeopardy, how-ever, by the refusal of the pilots' union to agree to a new wage con-

Frontier's pilots have been demanding wage parity with United's pilots within two years but United has said that it was willing to phase in equivalent wage rates only over

The contract dispute forced People Express to ground Frontier earlier this week.

People Express' board held a telephone conference meeting late on Tuesday night "to explore a couple of avenues" regarding the sale of Frontier to United or other bidders, but "the other alternatives did not

People Express did not elaborate on the other options, but both Delta Air Lines and American Airlines are widely rumoured to have expressed interest in acquiring some Frontier assets. Analysts also speculated that Texas Air might be interested in acquiring Frontier.

The apparent collapse of these attempts to find an alternative buyer appears to increase the prospect that Frontier will have to file for

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#### **Institutions** approach Fermenta

Continued from Page 1 Fermenta management and served consultant.

The Fermenta workforce has instead called on Montedison to take only a minority holding and has called on Mr El-Saved to retain leadership of the company, fuelling his apparent reluctance to surren-

Mr Kjell Brandstrom, managing director of Industrivarden, one of the investment companies in the newly-formed consortium, said last night: "If the Montedison deal does not go through, we are prepared to form a consortium to stabilise the ownership in Fermenta, which is now very vulnerable. It is not a

competing bid to Montedison." Both Beijer and Industrivarden are already significant shareholders in Fermenta.

The company has gone through a turbulent period following the collapse of an earlier planned deal in which Volvo was to have taken a 20 to 25 per cent holding in Fermenta.

As a result of the breakdown of the Volvo deal Mr El-Sayed accumulated personal debts in the region of SKr 1.4bn (\$202m). Repayment of part of these debts - some SKr 500m of the debt is owed to Industrivarden - is due in December and Mr El-Sayed is coming under increasing pressure to find a buyer for all or part of his stake in Fer-

Since last Monday, trading in the company's shares has been suspended on the Stockholm stock exwho do not qualify for asylum will change because of the mounting be barred from work for five years, confusion and uncertainty over fu-

Fermenta barely escaped expul-sion from the stock market earlier in progress with East Germany, this year and its conditional reprieve is adding further pressure on ugees across the theoretically open Mr El-Sayed to settle quickly the city of Berlin into its Western secturbulence surrounding the con- tor. Of the 52,000 refugees who ar-

### Boeing set to win \$1.5bn Awacs order from France

warning and control system (Awac)

firmed yesterday that the Govern- system to give land surveillance on ment had decided to proceed with France's eastern frontiers, but it the procurement of an airborne ear- was only last month that the necesly warning system but declined to sary funds were allocated in the confirm that this would be bought budget. Next year's defence budget

with whom it has strong and long- crease includes funds for the early standing commercial ties. It is also warning aircraft. anxious to make a joint purchase
with the UK that would lower the weapons procurement is the encoucost of the Awacs.

en GEC of the UK a postponed to explore a production link for its deadline of October 1 to put forward Rafale fighter with Northrop or oth-

world trade negotiations to combat

Fourteen countries, accounting

for 22 per cent of world agricultural

exports, pledged in the so-called "Cairns declaration" - named after

the Australian holiday resort where

their trade ministers were meeting

- to fight for the complete abolition

They intend to make sure that

the issue tops the agenda when trade ministers from 92 member-

BY TERRY POVEY IN LONDON

months of speculation about a pos-

sible major British bid move by the

OT&T, which has been sharply

Continued from Page 1

instead of two years as at prescent.

Chancellor Kohl also confirmed

that "important discussions" were

aimed at staunching the flow of ref-

The statement form IEP (UK), an plans."

bribution group.

of farm export subsidies.

the sale of three of its airborne market for an alternative system.

US officials said yesterday that aircraft. The sale, if given final approval, would be worth \$1.5bn. that France would nurchase the The move towards Boeing de- three US-built aircraft. French adpends on final French Government ministrations have long expressed approval. French officials con-interest in buying an early warning is to rise by 7 per cent, while gov-Paris is reluctant to weaken its ernment expenditure overall is behand in negotiations with Boeing, ing held to under 2 per cent. The in-

ragement that Paris is giving to The British Government has giv- Dassault, the French aircraft group,

Farm nations form alliance to

A NEW alliance of agricultural - the other three main exporters of all export subsidies affecting agri-

lars in lost sales and endanger polit-

products pose a serious threat to countries ranging from Thailand to

The Cairns declaration goes con-

siderably further in condemning

farm export subsidies than draft

statements discussed within the

Gatt so far. Signatories want the

Gatt to give agriculture, which has

so far been largely outside the orga-

nisation's disciplines, equal status to trade in manufactured goods.

The statement is bound to put

By contrast, yesterday's state-ment formally acknowledged that it

Brierley plans £258m bid for

enthusiastic over OT&T investment

volved in discussions about a coun-

ter-bid for Hargreaves, the energy

company for which Coalite had bid

Yesterday Mr Nicholas Barber,

Bonn acts to stem flow of refugees

country will face stiffer punish- half of 1986, nearly 23,000 did so nied that Bonn had offered loans or

Bonn - and the three Western

powers in Belrin - are convinced

that East Germany is deliberately

encouraging the influx, in order to

force counter-measures from the

West, which would imply de facto

recognition of the city's division as

So far all attempts to reach an

a full-scale international frontier.

**Ocean Transport & Trading** 

fight US and EEC subsidies

BY RICHARD HUBBARD IN CANBERRA AND ANDREW GOWERS IN LONDON

producing nations pledged yester-day to use the imminent round of is likely to cost them billions of dol-

US and EEC farm policies which, ical and economic stability. US ef-

they say, are seriously damaging forts to regain lost markets in other

countries of the General Agreement further pressure on the EEC to al-

on Tariffs and Trade (Gatt) meet low discussion of the Common Agri-

next month in Punta del Este, Uru-guay. cultural Policy and its export sub-sidies in the new trade round. At

Their statement comes against the instigation of France, the Com-

the background of a worsening ex- munity has so far blocked the inclu-

port subsidy battle between the US sion of these issues on the agenda. and the EEC in the world grain By contrast, yesterday's state-

MR RON BRIERLEY, the New Zea- IEP statement to close at 235p.

land entrepreneur, yesterday an-nounced plans to mount a £258m the bid was not a spoiling tactic.

(\$383m) bid for Ocean Transport & "We are not out just to block what Trading, the shipping and fuel dis-OT&T wants to do - but we are not

investment vehicle set up by Mr In particular, he said he had Brierley to pursue the bid, ended learnt on Friday that OT&T was in-

reducing its involvement in shipping, rejected the offer, describing of the managing director, it as "tactical manoeuvring" by Mr confirmed there had been talks

Brierley.

IEP said it intended to bid 225p a share, only 7p higher than Tuesday's closing price. OT&T shares that day's closing price. OT&T shares that day's rejected the offer

rose 17p yesterday following the bank advisers, rejected the offer

rived in West Germany, in the first have failed. But Mr Kohl flatly de-

BOEING of the US yesterday appeared on the verge of winning vital ferench. Government approval for factory, the British would be in the which has no role in the European advanced fighter consortium - can cover its costs on the basis of sales of the Rafale to the French airforce and on exports.

> The possibilities of a Dassault-Northrop link were raised by Mr Andre Giraud, the French Defence Minister, on his recent visit to the US. It comes in the context of an increasing French emphasis on co-operation in production - both with the US and other European partners - to offset rising equipment and research costs.

Both companies have problems in eveloping outlets for advanced fighter aircraft. Northrop has been unable to sell its F-20 Tigershark in the US or elsewhere.

The major obstacle to any co-operation on an advanced fighter air craft are US restrictions on transfer of technology in the event of export

"This marks the establishment of

a new alliance to promote a better

deal for all our farmers in the coun-

tries represented here," said Mr

John Dawkins, Australia's Trade

The Cairns declaration commits

signatories to "seek the removal of

market access barriers, substantial

reduction in agricultural subsidies and the elimination, within an

agreed period, of subsidies affecting

It adds that the 14 nations, which

er countries represented at Cairns

included: Chile, Colombia, Fiji,

from Mr Brierley as being only a littlehigher than the market level

The board of OT&T will not be

deflected from continuing to act in

ders by the tactical manoeuvring of

sterday it regarded the statement

Following a complaint from War-

the best interests of all sharehol-

IEP (UK)" they said.
The Takeover Panel made it clear

of intent to launch a bid as amoun-

burg that essential information was lacking, it has told IEP to provide

more details about the terms of its

An IEP statement is expected to-

Lex, Page 14; News analysis,

other financial aid to East Germany

in return for co-operation on the

hoped, be accompanied by others to emerge from a special conference

of party leaders and the Premiers

of individual states convened by the

Chancellor for September 25. This

will deal with aspects of the prob-

The latest measures will, it is

and "totally without merit."

ting to a formal bid.

## senior official

By Patrick Cockburn in Moscow

THE Soviet Union has removed Mr Nikolai Glushkov, chairman of the State Committee for Prices and one of the country's most important ecoconsider significant price changes has been an important obstacle to economic reform.

Central control of nearly all Soviet wholesale and retail prices by Mr Glushkov's committee has prevented implementation of plans to give enterprises greater financial

and managerial autonomy.

Mr Glushkov, aged 67, had held his job since 1975 but came under attack in the press this year. His committee was also criticised by Mr Mikhail Gorbachev, the Soviet leader, in his address to the Communist Party Congress in February. Mr Glushkov's persistent and vocal resistance to price changes indicated that he had support from the ruling

tee is Mr V.S. Pavlov, previously number two at the Finance Minis try. His attitude to price changes is unknown but it is unlikely that Moscow will be able to introduce radical changes throughout the price structure without changing the 1986-90 five year plan, which is already under way.

The price of essential foodstuffs housing and transport are pegged at low levels in the Soviet Union. The retail price of bread, sugar and vegetable oil were fixed in 1955 and meat and dairy products in 1962. Meat costs 1.90 roubles (\$2.87) to buy but the procurement cost to the government is 5 roubles. Bus, tram and metro tickets for a journey of any distance in Moscow is 5 kopeks although the price to the state is 10 kopeks.

the Gatt talks start, would "serious-An increase in the price of sauly question" the value of a new sage meat over the last month has led to widespread rumours among round that failed to address these shoppers in Moscow that the prices of other foodstuffs, such as sugar, Apart from those mentioned, othare to be raised. But given that the average industrial wage is 195 rou-bles a month, Mr Gorbachev will be Hungary, Indonesia, Malaysia, New Zealand, the Philippines and Uru-

> Present Soviet wholesale prices were established in 1982 with some amendments added in 1985 and are due to run until 1990. Price differences between good and poor quality goods are established centrally,

yet have a clear-cut policy on ness to consumer demand is likely to be shown in future in determining the price of non-essential con-sumer and light industrial goods. The cost of basic foodstuffs and heavy industrial products will still be determined in Moscow.

#### 'Nuclear blast' at Chernobyl

treatment.

lem for which the states, and not understanding with East Berlin the federal Government, are relieve that this must have been the

## Moscow dismisses economic

The new chairman of the commit

have agreed to meet again before averse to raising the cost of living.

Under Mr Gorshkov, the burden non-essential goods such as furniture or cars. The latter were set according to demand and some 11m Soviet private car owners have paid 6,000 to 7,000 roubles to buy their

rather than through the market.

prices, much greater responsive

techniques to prevent rain at

The highly publicised bone marrow transplant operations on radia-tion victims appear to have served little purpose and, according to Soviet evidence, in some cases were

A British antiviral drug, Acyclovir, featured importantly in the

There has been no Soviet mention of whether medical staff treat-ing the victims became radioactive themselves. But British experts be-

### THE LEX COLUMN

## Sedgwick goes for broker

financial advisers to sell the shares

the funds which initially will reduce

return on capital by about 7 percen-

premium prices in an already over-heated market.

but building analysts are obviously

a more phlegmatic bunch. For all the different accounting layers to

and bunging in another three months for its overseas subsidia-

ries, Mariey could advance only

Circle was 18 per cent adrift (at

£42.8m) despite a prudent switch to

average exchange rates for transla-

home market, but nobody was cry-

**Building materials** 

There seems to be a corporate fashion to pay high prices for strategic acquisitions. But when these deals translate into earnings dilution investors are understandably less than thrilled. Sedewick is trying the natience of its shareholders with a £186m rights issue to finance in part the £207m purchase of Crump. The shares have not re-covered from the £540m acquisition of James a year ago, and slipped 27p to 345p yesterday. Sedgwick is paying 26 times historic earnings (on the more flattering UK accounting method) for Crump by issuing paper with a 1985 p/e of 16. It does not help when Sedgwick argues that the rights issue preserves shareholders' pre-emptive rights but at the same time suggests that an ADR issue is likely. And with openly stated dreams of world inso that it is a positive beneficiary of surance broking domination, Sedgfalling interest rates. An added bo-

wick is clearly not going to stop at Crump.
Having said that, howeve Crump looks a good business which is doing well from the current strong upswing in the US insurance cycle. Dilution to Sedgwick's 1987 earnings may prove to be only around 5 per cent when they are eventually announced in 1988. While shareholders are waiting for that to come through Sedgwick's tal ratio more than twice the clear possibly, cheaper coal own business is making more from ers' average. Estate agencies seems the rises in premiums in the US than it is losing through capacity fear is that TSB's embarrass shortages. Interim profits up from £78.1m to £92.6m must owe something to James, though Sedgwick will not say how much. But with on ly a 9 per cent dividend rise this year and an earnings fall next year to look forward to, the shares look doomed to be dull.

#### TSB pathfinder

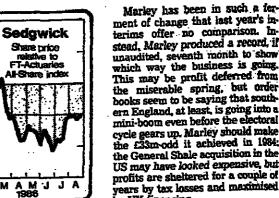
Estimates of the size and effect of popular demand for TSB shares re-call theories on the impact on the from Blue Circle and Marley are tides if everyone in China simulplan awful. Even after merger actaneously jumped up and down. counting its Thermalite acquisition, The latest hand-rubbing statistic and bunging in another three from the TSB implies that if everyone who has expressed an interest in the shares were to apply for £2.2m (to £9.7m pre-tax) while Blue only the minimum £200 worth, then the popular vote would amount to £2.4bn. It is increasingly probable that the after-market in the shares will be meat and drink to the stags as institutions attempt to get a proper weighting in the shares and the sector.

The pathfinder prospectus suggests that TSB could well become

**NEWS** 

BUSINESS

for BAE



stead, Marley produced a record, if stead, Marley produced a record, if unaudited, seventh month to show which way the business is going. This may be profit deferred from the miserable spring, but order books seem to be saying that southern England, at least, is going into a mini-boom even before the electoral cycle gears up. Marley should make the £3300-odd it achieved in 1984; the General Shale acquisition in the US may have looked expensive, but profits are sheltered for a couple of years by tex losses and maximised by UK financing. one of the most sought after chips in the banking sector. Unlike the other clearers, TSB's fixed rate assets exceed its fixed rate liabilities, look at all expensive: it has built it-

self just the sort of strong base, with the additional flexibility of nus is the complete absence on its Mexican imports, that might come books of bad foreign or energy re- in handy in the UK if the cartel lated loans. If this encourages the broke down and everybody imported from Greece. However much clearers then the offer proceeds will the floating Trojan Horses at Tilbube about £1.25bn. It remains less ry and Liverpool, the chances of a than clear what TSB will do with price rise are slim to zero and Bine Circle will be earning its keep at home chiefly from eliminating the tage points, and produce a free capi-starting costs of its new kilns and,

#### ers' average. Estate agencies seems to be the most likely first target: the Brierley/Ocean of riches will lead to the payment of

Mr Ron Brierley's offer for Ocean Transport and Trading yesterday was so clearly inadequate in amount - as well as in its fidelity to the take over code - that it is hard to take it seriously. A 225p offer above an opening share price of 218p is not likely to draw much sup-GKN only had to produce a re-cord set of interim figures to knock the engineering sector sideways. port in this market. The argument that without Mr Brierley's presence Ocean's price would be lower does not give fair credit to the efforts Ocean has made so far to sort itself out. The idea that Ocean will fit together with Tozer Kemsley & Miliourn needs some explaining. And the suggestion that Ocean sharehol-ders need a cash offer from Mr Brierley in order to spurn Ocean's supposed purchase of Hargreaves is far-fetched. It is more tempting to see the bid

could make much money in its by Australian rules, in which case Ocean may not even be the real taring doom to the UK construction get. If Mr Brierley is not to make a sector: Blue Circle lost 18p, to 535p, sensible offer of Ocean, he is doing but Marley actually advanced 4p to its shareholders no good in adding to its management's problems.

Although Mr Gorbachev does not

Continued from Page 1

Chernobyl for a month, in order to aid decontamination operations.

counterproductive, because the most seriously irradiated victims were also badly burned by the fire.

### ADVERTISEMENT

### Shell communication

### Ferranti lasers

Ferranti Defence Systems, Electro-optics Department, has started the production of an initial batch of laser transmitters for the British Aerospace Rapier Laserfire surface-to-air missile system. Scheduled for delivery by the end of December, the lasers have been ordered to equip demonstration systems for an overseas sales drive. Overseas sales drive.

A Ferranti Type 531 laser transmitter has been specified for the Laserfire automatic tracker. The laser's narrow harmwidth enables that

beamwidth enables the tracker to mark targets very accurately from a range of 300 metres to 10 kilometres. Satcom system

A civil satellite communications earth terminal custom-designed and manufactured by Ferranti Electronics, Microwave Division, for the British National Space Centre (BNSC), has been installed and commissioned at RSRE Defford in Worcestershire.
The BNSC, formed last year
to improve and co-ordinate the development of British space technology, will use the terminal initially to support an experimental programme with Ku band satellites and OLYMPUS-1.

Briefly . . .

The Windsor Manufacturing Company, part of the Barnes Group aerospace division, has recently installed a new Ferranti Merlin 1100 coordinate measuring machine with direct computer control with direct computer control. The British Steel Corporation has placed two contracts for process control systems together worth nearly £400,000 with Ferranti Computer Systems, Wythenshawe Division

### OFFSHORE

Ferranti Offshore Systems has successfully completed the most ambitious temporary communications package yet supplied in the North Sea. The £250,000 contract for the hook-up of the SEAN field operated by Shell UK Exploration and Production was co-ordinated and fully supported from the Ferranti base in Great Yarmouth. Ferranti also supplied ter-minal equipment for the Shell site at Lowestoft which

access Shell Expro's mini computing system at the project's Wembley office using high speed data circuits.

circuits.

The Ferranti radio operators/
technicians who gave firstline maintenance on site
ensured that the mandatory
radios, platform communications, PARX systems and
computer terminals were kept
operational on a 24 hours a
day, 7 days a week maintenance package.

#### AVIONICS

#### £2m TIALD contract A Ministry of Defence fixed price contract has been won

by Ferranti Defence Systems. Electro-optics Department, to Electro-optics Department, to build a Thermal Imaging Airborne Laser Designator (TIALD) pod for evaluation and flight trials by the Royal Aircraft Establishment at Farnborough.

The order, worth over £2m, is scheduled for delivery in about 18 months, The pod will be used to demonstrate the accurate delivery of laser

the accurate delivery of laser guided bombs and further research into advanced weapon delivery under various conditions of visibility both day and night.
In operation TIALD will be directed on to the target area by other aircraft sensors or the navigator as the aircraft makes its final approach. Once a target has been selected the system locks on to the video signal provided by the thermal imager and the aircraft is free tomanoeuvre without losing sight of the target. At this time the laser beam can also be fired to acquire target range. By updating the air-craft's weapon aiming computer with range and bearing information an attack could proceed using conventional weapons. Alternatively the laser can be used to designate the target for laser guided weapons from either the attacking or accompanying



### London opts for a touch of Chicago

BY ALEXANDER NICOLL IN LONDON THE SWASHBUCKLING atmosmore staid floor of the London

The exchange's options development group, which oversees the rapidly growing traded options want to lay off by trading futures market, is drawing up plans to admit "locals" as members of the LonMr David Parry, chairman of the

don exchange to trade options. Chicago markets. They are individuals who, armed with nimble minds and thick-soled shoes, stand all day just for themselves. Some make their fortunes, others eventually begin new careers as cab drivers. All trade in an agency role on behalf of have over-strained vocal chords.

Exchanges like to attract locals have trades settled through a clearphere of the Chicago trading pits because they provide a foundation ing member firm which would could be about to invade the rather of liquidity for the markets. They therefore monitor their positions. take on - perhaps for only minutes They would be given some incenor even seconds - the risks that fi- tives to trade, through reduced fees. nancial institutions, trading in the as they are on other exchanges bond, stock or currency markets,

fon exchange to trade options.

Exchange's traded options committee, said yesterday that the proposals being drawn up would allow one-person firms to trade on the floor. These would be released from in the futures and options pits and the responsibility member firms try to make a living out of trading now have to be represented on the floor at all times.

Locals would not be allowed to

such as the London International Financial Futures Exchange (Liffe).

The plans would have to be approved by the options committee itself, as well as by the exchange's membership committee and ruling council. There could well be opposition from more traditional elements in the exchange and even from options market-makers themselves, who may feel they already provide the options market with adequate

### The perils of paying for a pig in a poke

BY MICHAEL DIXON

mean little to most readers to-day, it was once impossible to go anywhere in Britain without hearing someone saying them. They became a national catchphrase as a result of radio broadcasts made in the 1940s by the late Professor Joad.

The fact that the words are now largely forgotten is a pity. For they have an important bearing on an auction which has just begun in the UK and can be relied on to intensify as the general election approaches. It is not the piffling kind of

Anyone seeking to cap a pre-vious bill by less than £100m is unlikely to be heard. The reason is that the auction is about how much taxpayers' money should be spent on expanding the student capacity of the UK's higher educational network of universities, poly-technics and other largely statefunded institutions.

The main bidders will of course be politicians hoping to win floating votes. But their calls will be variously backed and belittled by other folk with an interest in the topic. Of two bids already made this month, the first was from a sideline interest—the Lloyds Bank Economic Bulletin, It called for an addition of £300m

The same of the same of the same of the same

Burtley Occa

"IT ALL depends on what you to the £600m a year provided mean by "students" receiving for the grants with which degree-level students are supmean little to most readers to to the £600m a year provided mean by "students" receiving country to country in length, per cent. If we deduct those concentration, content, method, who promptly departed overand almost certainly also in the seas, the figure falls to 15 per objective level of attainment cent. costs while studying.

Then the Social Democratic Party came in with £1bu extra a year for an all-round expan-sion of the network. The result would be a taxpayers' bill for higher educational teaching and administration, as distinct from research, of about £3.6bn

Both the Lloyds Bank bulletin and the SDP claim not only that the extra money will produce a profitable return to It is not the piffling kind of society at large, but also that auction associated with Old unless higher educational Master paintings and such, anyone seeking to cap a pre-will fall farther behind its vious hill be less than \$100m. economic competitors. The arguments put forward to support those claims, however, must have set Professor Joad spining in his grave protesting: "It all depends on what you mean

> Take for a start the idea that, without extra outlay on univer-sities and so on, Britain will lag farther behind its competitors. Here the two bidders' claims are pinued on the notion that in the UK, students receiving higher education represent only 14 per cent of the appropriate age group. That, asserts the Lloyds Bank bulletin, is low by international stondards. national standards.

It all depends on what you

Different countries have different definitions of what constitutes a student. Some of the stitutes a student. Some of the differences were speit out in the report entitled "Excellence in Diversity," published in 1933 by the Society for Research into Higher Education (Guildford, Surrey GU2 5XH).

Whereas Britain counts a part-time student as but a frac-tion of a full-timer, for example, other nations count each alike as one. If the UK did the same and included Open University students, the report said, the usually cited percentage would go up by about a quarter — raising the two bidders' figure from 14 to 17.5 per cent.

More succeed

Then what do we mean by "receiving" higher education? Does that cover all who show up on courses, or only those who gain degrees or what are variously deemed equivalents at the end of their studies?

While fewer people may enter the race in the UK, the proportion who complete it suc-cessfully is higher than in most other countries. Then what do we mean by

higher education "?

required to gain what may be nominally an equivalent award. As one example, let's take Japan whose "25 per cent" of appropriately aged people in degree-level education is often cited as a target for Britain to Few if any of the Japanese students are on the concen-trated single-subject kind of

courses which constitute the bulk of degree studies in the bulk of degree studies in the UK, largely lasting for three years. While some Japanese courses are only two years in duration, most continue for four. But they are of the American pattern, with the first two years usually spent on fairly broad studies followed by concentration on a major subject in the final two.

ject in the final two. In addition the spread of subjects in which Japan's fouryear students major is different from the pattern of more academically specialised studies taken by Britain's three-year undergraduates.

For instance, over there the proportion majoring in engin-eering and technology — at which Japan's economic performance seems better than the UK's—is about 23 per cent. Here

subject classification. It is true that certain courses in Japan and in Britain go under the same name, such as engineering same name, such as engineering
But that does not mean the content of what is taught in them
is the same. There is evidence
that in Japan, as in West Germany, engineering courses put
more emphasis on practical as
distinct from theoretical learning than is usual in the nomining than is usual in the nominally equivalent courses in the UK.

In view of such differences. the fact that a complex of activity is called higher education does not mean that more spending on it will improve economic performance. The only sure conclusion seems to be the comment made by one of the foremost authorities on the topic -Professor Fritz Machlup\* of Princeton University, who died

"Whether incremental penditures for education will depend on what is taught and levels, in what proportions and under what conditions."

To judge by the observable economic effects of what has

try's competitiveness will be strengthened by paying extra to have more of largely the same thing go on in future.

That is not to say the value of education is confined to economic returns. Almost everyone believes there are other

But If-as seems probablethe UK's economy is not strengthened by extra spending on our higher education, then increasing its funding will necessarily reduce the funds available for spending on other activities which might improve economic strength. In which case the nation's wealth could well decline as it becomes more highly educated.

Which again resurrects Professor Joad, and a question that once confronted him in an examination: Can a good man be happy on the rack? He answered: "Yes, provided he is a very good man and it is a

It might be that Joad's reply seems unnecessarily cynical to some people. But I doubt that anyone would claim that the prospect of happiness could be increased by making the man poorer and—to the extent that poverty is painful—the rack

\*Knowledge: its creation, dis-The courses which go on degrees in the same subject education in the UK to date, it cance, Vol. III. Princeton L under that title vary from classification in 1985 was 16 appears doubtful that the counversity Press, 1984. £41.70. tribution, and economic signifi-cance, Vol. III. Princeton Uni-

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& Wales plc. A Head of Corporate Finance, reporting directly to the General Manager-Corporate Sector is now sought to control and develop the department responsible for both wholesale and retail lending. The duties will be varied, interesting and demanding covering for example, direct client contact, credit analysis, negotiation of lending parameters, development of new services, training of staff and directing marketing initiatives. The Bank therefore seeks an experienced commercial banker to be involved in the overall progress of a planned lending strategy. There will be considerable involvement in policy, development and implementation, together with

control and motivation of staff in the lending area.

#### City

H. B. Nichol,

A broadly based background is therefore required, including substantial domestic lending experience. together with a wide range of commercial and banking contacts necessary for the promotion of this range of the Bank's services. Some experience of international capital markets would also be advantageous.

If you feel that you possess the necessary experience and personal skills required for this challenging opportunity then write enclosing a full curriculum vitae, including details of present remuneration, to:

Personnel Controller, TSB England & Wales plc, Administration Centre, 100 Lower Thames Street, London EC3R 6AQ to arrive not later than 16th September 1986. Please note, candidates who have applied for similar positions in the corporate sector in the last twelve months will be considered and need not

## BERMUDA

### \$30,000 tax free

An incredible opportunity for a young qualified accountant to join this specialist Risk Management firm in the demanding role of Assistant Vice-President.

Candidates will be ACA/ACCA aged 24-28, single and consider themselves outgoing with a "work hard, play hard" approach. Some knowledge of Insurance business would be useful and accountancy skills are essential.

If you would like to discuss the possibility of working in a new and exciting environment contact Michelle Ser or Graham Palfery-Smith on 01-629 4463, or write with career history to address below quoting Ref GJPS 340.

HARRISON & WILLIS LIMITED (Financial Recruitment Consultants), CARDINAL HOUSE, 39-40 ALBEMARLE ST., LONDON WIX 3FD.
TELEPHONE: 01-829 4463.

### **Asset Finance** A Prime Career Opportunity

A rapidly expanding UK bank requires an Analyst to assist in developing its leasing and asset finance portfolio. This is an excellent opportunity to join a division which forms an important part of the bank's wide range of corporate facilities. Scope for career development is available within the division and the company philosophy ensures further openings for advancement within the broader corporate

Probably an accountant or graduate with, or studying for, IOB, you will have at least two years' experience in an asset finance environment and be familiar with the use of microcomputers. Cripps,Sears

Based in London, you will report to the Leasing and Asset Finance Manager and you will have a full involvement in all aspects of this business. You will be required to negotiate with a broad cross section of corporate and local authority clients, evaluating and submitting lease propositions. In addition, you will have regular liaison with other banks and financial institutions in respect of back-to-back deals and syndicated transactions. deals and syndicated transactions.

The salary offered is to c£19,000 and applications should be sent to Charles Earp of Cripps, Sears & Associates Limited, Personnel Management Consultants, International Buildings, 71 Kingsway, London WC2B 6ST. Tel: 01-404 5701.

## Portfolio Manager

#### International Private Bank

Citibank's Private Banking Group. located in Berkeley Square, London W1, provides a comprehensive range of banking and investment services to high net worth clients from every part of the

We are now looking to supplement the strength of this present team of investment professionals with an experienced portfolio manager.

Ideally, you will be a graduate with a good record of analytical and money management skills. These will preferably have been acquired in a fund management position where you have had at least three to five years experience in investing private client

portfolios containing multicurrency bonds and international equities. Proven experience in Far East and Japanese equities will be a particular advantage.

This is an excellent opportunity to join a successful, expanding unit and the compensation package with the usual bank benefits will fully reflect your experience and qualifications.

Please write with personal and career details to Derek Froud, Personnel Officer, Citibank, 336 Strand, London WC2R 1LS.





## Outstanding Opportunity

#### Successful investment group seek fund manager for Europe/U.K. portfolio

is one of the U.K.'s fastest growing unit trust managers. Controlled but rapid growth now creates an outstanding opportunity for a fund manager to work with the Investment Director in charge of U.K. and continental European portfolios.

The successful applicant will be currently working in fund experience and be able to demonstrate a record of success. We seek a professional who can contribute to our reputation for investment performance. The preferred age range is between 25

Based in attractive period offices in Henley-on-Thames, the position would suit an individual who would

Perpetual Unit Trust Management enjoy the responsibility of working in a free environment with considerable scope for personal initiative.

Unit trusts are the principal activity of the company but a considerable rate of growth is anticipated in pension fund and private portfolio management.

Initial salary is negotiable and the overall remuneration package -including bonus and other normal benefits - will be attractive. It is anticipated that remuneration is unlikely to be problematic for the right applicant.

All applications will be treated in total confidence and should be sent to M Arbib, FCA, Chairman, Perpetual Unit Trust Management Ltd, 48 Hart Street, Henley-on-Thames, Oxon



**Britain's Fast Growing Unit Trust Managers** 

## **MANAGERS**

#### Remuneration exceeding £50,000 + Unique Perks

Target Financial Consultants is the direct sales division of the rapidly expanding Target Group PLC. As a result of continuing growth we seek highly motivated professionals to lead and develop new teams.

Successful candidates will have proven track records and at least five years experience in the financial services sector. Additional requirements include first class communication and managerial skills.

This highly rewarding and challenging role offers excellent prospects for substantial capital gain as well as performance related remuneration.

Interested applicants should contact Mrs. Dagmar Lee or Stanley Jackson on 01-631 3194, or write to them in complete confidence at the address below:



The TFC Partnership 1 Bedford Square, London, WC1B 3RA.

## Phillips & Drew **Corporate Services**

#### **Career opportunities**

Phillips & Drew Projects and Financial Management is dedicated to innovation in the financial and property markets. It provides treasury management, real estate and money market services to a wide range of private and public sector clients. It is staffed by finance directors, company and local authority treasurers, bankers, accountants and property experts, as well as those trained in Phillips & Drew's traditional skills of stock and money-broking. If you have the relevant experience, perhaps gained in a dealing, banking or corporate treasury environment, and could contribute to this successful and expanding team, we should like to hear from

The salary, bonus and benefits package will be very attractive and those you would expect of a major financial

For further details and an application form, please contact:-

Miss Deborah Harman, Personnel Department, Phillips & Drew.

120 Moorgate, London, EC2M 6XP

Phillips & Drew is a member of the Union Bank of Switzerland Group

### Representative - Business Development

C. £20,000 plus Car

**MANCHESTER** 

Our client, a major International Bank currently undergoing considerable expansion within the UK seeks to recruit a banker for a newly-opened representative office in

Manchester.

The successful candidate will be responsible for marketing a broad range of banking services to UK corporate clients, principally in the North of England and Scotland and be capable of overseeing the credit function and day-to-day operations.

The ideal candidate will be a graduate in their early thirties and have gained extensive marketing experience within an International or Clearing Bank, preferably specialising in the UK corporate sector.

**Emmerson Recruitment Associates** 

Bell Court House, 11 Blomfield Street, London EC2M 7QY

A competitive salary, company car and relocation allowance together with the usual banking benefits will be offered.

Interviews will be conducted in either London or Manchester, week commencing 1st September. Written applications including a full curriculum vitae should be forwarded The Managing Director

BANKING SELECTION

EMMERSON RECRUITMENT ASSOCIATES

01-638 2901

## Packaging Engineer/ Technologist

A large, internationally respected design group, specialising in packaging design, require a young, experienced Packaging Engineer/ Technologist to complete their production team.

The successful applicant would have direct contact with designers and clients and should have experience in all aspects of packaging from basic materials to final display with a full understanding of all printing techniques.

Experience in international packaging requirements, with particular reference to American packaging requirements, would be a major asset as we are expanding rapidly particularly into the latter marker

This is a senior position within the group and salary would be commensurate with position.

Write in total confidence to: Box A0247, Financial Times, 10 Cannon Street, London EC4P 4BY

## A main player in International Settlements wants you

Our client is one of the City's most ected names in International Securities. They already command a unique reputation in Global Equities Trading and are preparing for further growth of their business in the coming months.

At the heart of their operations, the expertise of support staff determines the accurate, efficient settlement of international transactions, Experience counts. Not just in-depth knowledge but breadth of understanding,

We are asking for a lot of expertise: individuals whose background covers

broking, arbitrage and market making and who have experience in one or more of the following areas:

 North American Securities including ● Far East Securities

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rey.

VL.

European Securities

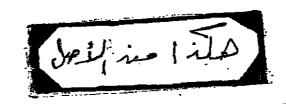
South African Securities

In recognition of the key role you will play our client is prepared to negotiate a highly attractive salary with an excellent range of benefits.

Please send written applications, quoting reference: 4429, to: Mozon Dolphin & Kerby Ltd., 178-202 Great Portland Street, London WIN 6]]. Please state in a Covering letter any companies to whom

**DOLPHIN** 

&KERBY LTD EXECUTIVE SEARCH & SELECTION



Financial Times Thursday August 28 1986

Assistant

Pallery-Smith

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#### **UK CREDIT MANAGER** Up to £18.000 + Car Hounslow, Middx

TNT Skypak International (UK) Ltd is one of the world's largest courier companies

specialising in desk-to-desk deliveries throughout the world. A very senior and experienced Manager is sought to head up our Credit Control department, which employs over 20 people, to control over 5000 trading accounts. Aged 35-1- you will have at least 10 years experience working in a credit control environment of which 5 years will have been in a management role.

Ideally you will be a member of the Institute of Credit Management and preferably with a recognised accounting qualification, be an excellent communicator and motivator, be able to work under pressure and be familiar with computerised systems.

In addition to a highly attractive salary and car, we are offering BUPA and free life assurance plus the opportunity to join a young, dynamic and forward thinking company who reward talent and ambition at the highest level.

Please apply in writing, enclosing a recent C.V. to: Miss Karen Edwards, Personnel Officer, TNT Skypak International (UK) Ltd., Unit 8 Spitfire Estate, Spitfire Way, Hounslow, Middx TW5 9NW. (Tel: 01-561 2345).



### **Institutional Sales**

Convertible Loan Stocks **£** Negotiable

This appointment is part of planned expansion by an established firm of UK institutional stockbrokers enjoying the backing of a major financial group. The Firm is well known for its coverage of the Convertible sector and seeks an additional specialist sales executive to join the existing team.

Applicants should possess a high degree of motivation, together with a thorough knowledge of the sector and proven communicative skills. Ideal age 30-35. For the right individual, the rewards will be excellent, both in terms of remuneration and career development.

In the first instance, please contact Anna Robson at the Securities Division, 39-41 Parker Street, London WC2B 5LH, telephone 01-404 5751. All replies will be treated in strictest confidence.

Michael Page City International Recruitment Consultants-London Brussels NewYork Paris Sydney Amember of Addison Consultancy Group PLC

#### **FOREIGN EXCHANGE DEALERS**

Hoare Govettis expartding its Group Treasury, which provides foreign exchange management and funding services to its global securities operations.

We invite applications from foreign exchange dealers with at least 2 years experience of forward foreign exchange and currency hedging techniques, who have the potential to make a significant contribution to the development of a leading international securities group.

An attractive remuneration package will be offered together with excellent career prospects.

Applicants, who are likely to be in their twenties, should send a full CV (including current earnings) to: Ruth Colley, Personnel Manager, Hoare Govett, Heron House, 319/325 High Holborn, London WCIV 7PB.

HOARE GOVETT



#### PRODUCT DEVELOPMENT ADMINISTRATOR Salary £10.5K

AP Dow Jones/Telerate is recognised as an international leader in the provision of on-line financial information to major clients in the City of London. The Company's commitment to providing customers with accurate and timely information, together with outstanding service, prompts the requirement to appoint a Product Development

The Product Development Administrator reports to the Assistant Manager, Product

The successful candidate will be a graduate, probably aged in the early twenties who can demonstrate administrative and organisational skills and will ideally have experience operating

The salary package includes a regular review procedure, together with major company

To apply, please contact our Advising Consultant, Andrew Goodman at Ogilvie & Associates Ltd., Buckingham Court, 78 Buckingham Gate, London SW1E 6PE quoting reference NM0843 in writing, or by telephoning him on 01-222 7766 during working hours (24 hour

We are an equal opportunities employer

### MANAGEMENT **CONSULTANTS**

Are you eager for success? Are you available now?

As a result of our continued growth we require several MANAGEMENT CONSULTANTS to maintain our development.

Could you be one of them?

You must be highly motivated with an appetite for achievement. Your successful track record will show that you are thoroughly experienced in the business to business area and capable of problem solving for small and medium sized companies, be they financial, commercial or manufacturing. You will receive comprehensive training and the back-up necessary. A first rate remuneration package commensurate with effort is offered. If this is your sort of challenge and you would like to join our expanding team, please send complete career details to Mark Quinery, Ref: ET, Independent Consulting and Management Company Ltd., Rawplug House, 147 London Road Kingston-upon-Thames. Surrey KT2 6NR.

Road, Kingston-upon-Thames, Surrey KT2 6NR.

Citicorp is strengthening its Eurobond Sales and Trading area and this has created an immediate opportunity for an experienced salesperson in equities, convertibles and warrants. We need your skills selling convertible bonds, targetted at the Japanese and Hong Kong Markets.

Educated to degree level, you'll have at least 10 years' experience in the Japanese or Hong Kong markets. We'll therefore expect you to be fluent in Japanese, both written and spoken. We also expect you to have a good understanding of Japanese Banks and

Fund Management Groups.

This is an excellent opportunity to join a successful expanding unit and an attractive compensation package, with the usual bank benefits, will fully reward your experience and qualifications.

Please write with full personal and career details to Miss Hanneke Frese, Vice President, Citicorp, 335 Strand, London

**CITICORP** 

#### **METALS** INDUSTRY

Expanding London-based con-sultancy with international mining and financial clientele seeks:

MARKET ANALYST—preferably with knowledge of non-ferrous metal markets.

BUSINESS ANALYST—to prepare financial, competitor and strategic studies of companies/industries. Knowledge of mining industry not essential

TRAINEE CONSULTANTpreferably graduate with relevant qualification.
Self - motivation essential.
Familiarity with micros an advantage. Salary negotiable.

Write in confidence to: Managing Director METALS & MINERALS RESEARCH SERVICES

LIMITED 222 Strand, London

#### **MANAGING DIRECTOR - STOCKBROKING**

A Private International Financial Services Group based in the U.K. and owned by 4 leading Banks and Investment Managers is seeking a young individual (28/40) to manage an innovative venture in U.K. Stockbroking.

A strong emphasis on marketing ability rather than portfolio management is required, although it will be essential for candidates to have an in-depth working knowledge of dealing, settlements and all Stock Exchange procedures.

The successful applicant will have had several years experience in a Stockbroking or Jobbing firm where his or her leadership qualities have not been put to the test. A working knowledge of German or French would be an advantage, but not

The challenge that this Managing Directorship offers will be matched by competitive renumeration, reflecting the Group's commitment to this new U.K.

Please apply in confidence including a detailed and specific curriculum vitae stating achievements to date and current renumeration to:

> Gerard Troncin, 17 Lincoln's Inn Fields, London WC2A 3ED 01-404 5554

#### FOREIGN EXCHANGE DEALER

To Do More Than Deal

Salary negotiable, including benefits and generous dealing bonus

RepublicBank Dallas is a medium-size American Bank with a well established and highly respected London presence. Due to expansion an oportunity has arisen for a Senior Foreign Exchange Dealer, probably late 20s though age will not be a deciding factor, with five to ten years' experience to work closely with the Treasury Manager in developing the Bank's role in the Foreign Exchange market. Whilst it is essential that you have had a thorough grounding in a rigorous day-to-day trading operation with exposure to more than one currency, this is a position which will require much more; strategic planning ability, creativity and an imaginative approach will be paramount in a role which will provide the kind of stimuus not necessarily available in a hyperactive spot-dealing environment. The salary/benefits package has been designed to attract a quality candidate, to complement the existing members of the trading team. RepublicBank Dallas is a medium-size American Bank with a well

To arrange a formal interview with the Treasury Manager in order to explore this opportunity in greater detail, please ring Elaine Daley on 01-626 3200, extension 246, during the working day.



Republicating School RepublicBank Dallas

### **Trading Sales**

Japan: Europe: US

On behalf of a number of major Securities Houses we seek able individuals with experience of marketing international equities to domestic clients.

Candidates should have 2-5 years sales experience, the ability to generate their own ideas and a sound understanding of the markets in which they specialize.

For an informal talk about the standing and policy of these firms, together with the prospects on offer, please contact Martin Armstrong who will treat all enquiries in

#### Stephens Associates

International Recruitment Consultants 44 Carter Lane, London EC4V 58X 01-236 7307 Representative Associates New York & Tokyo

#### OPPORTUNITY IN FINANCIAL INDUSTRY

Talented university products (21 or above) with quantitative or computing background (A level or above), an analytical mind and excellent communication skills, required for attractive position with fast moving company in international securities industry. Position will entail high level of responsibility and involved duties in software development, marketing, customer support, and general administration. Successful applicant will have excellent communications and admin. skills and a desire to work in a challenging environment with excellent promotion prospects.

Salary 15K plus benefits Send CV to: Phil Berent

Financial Telecommunications Ltd 46/50 Gun Street, EC1 6AH

#### CITY UNIVERSITY BUSINESS SCHOOL PART-TIME LECTURERS

CITY REGULATION for the Stock Exchange Examinations

Part-time fecturers for one to two evenings per week, for a lew weeke per course, are invired to apply to the City University. Applicants must be experts on issues of regulation and compliance relating to the post-Big-Bang securities industry.

The Co-ordinator
The Stock Exchange Programma
The City University Business School
Frobisher Crescent
Barbican Centre
London EC2Y BHB
Tel: 01-920 0111 extn. 285 Closing date for receipt of applica-tions: 12 September 1986.

PRIOR HARWIN SECURITIES LIMITED Computer Software & Accounts Manager SALARY NEGOTIABLE

rocedures report of the proven 
#### CREDIT ANALYST/GERMAN to £17,000

Bilingual Credit Analyst with fluent German for leading City Bank. Must have at least 2/3 years experience in credit analysis in a Banking environment and with UK Component.

R J Recruitment (Language Specialists) 8 Maddox street. London W1 Tel: 01-493 5446

### Hoggett Bowers Executive Search and Selection Consultants

Fund Manager (US)

An increase in funds under management in this leading Investment Bank has resulted in the need for an additional US Fund Manager. A minimum of five years investment experience is required with at least two years working in the US Equities Sector The ability to make unestiment recommendations and contributions to policy is essential. An excellent benefits package is offered.

Corporate FX Dealer Top US Bank is seeking to recruit a graduate, ideally used 23-27 with at least two years experience of FX dealing to service their large corporate clientele. Duties will involve extensive liaison with corporate treasurers and applicants must be personable and highly motivated.

Spot Dealer

Our client is a well-respected European Bank and is looking to supplement its dealing room with an additional spot dealer. Candidates should have some experience of dealing in a major currency and be looking for a career move

Investment Analysis

§ Neg

On behalf of our client, a major City merchant bank, we seek several Investment Analysts. Specialists in Brewery and Food Manufacturing sector well as general UK equity analysts are required, ideally you will have a minimum of one years experience within a reputable merchant bank, stockbroker, or insurance company. Outstanding prospects are envisaged.

Marketing Officer \$ Neg

Graduate is sought by a leading Japanese Bank to assist the Manager in marketing Bonds. FRN's and Europen in Southern Europe. Previous experience of syndicated loans is essential as is the motivation and ability to succeed.

Credit Officer — UK A good track record in business development together with sound credil analysis training are the specifications for this position in a City European Bank. Working as part of the marketing team you will be responsible for a proportion of the bank's existing portfolio and for developing new business Applicants must have held a similar role and be aware of the more recent products available within the City.

01-588 4305/6 Moorgate Hall, 153/157 Moorgate, LONDON EC2M 6XB.

### Ema wanagement

Our client, one of the major US investment banks, is seeking a Senior Fixed Income Fund Manager to strengthen the London team. This position requires a varied and deep knowledge of the international bond market as well as UK gilts gained with a reputable house.

The successful candidate will undoubtedly be able to demonstrate an impressive track record of handling substantial investment funds on an international basis; it is envisaged that this individual will be aged between 30 and 40 in order to have the appropriate level of experience. Salary is highly negotiable and will not be a limiting factor.

For a confidential discussion call Simon Harrison on 01-481 3188.

### CHARTERHOUSE APPOINTMENTS

CHARTERHOUSE APPOINTMENTS LIMITED

EUROPE HOUSE WORLD TRADE CENTRE LONDON EI PAA 01-481 3188

#### HUMBERSIDE COUNTY COUNCE FINANCE DEPARTMENT myesthents manager

The County Council is responsible for administering a Superannuation Fund covering 17,000 employees and 8,000 pensioners. The Fund has a net cashflow of about £15m and holds investments valued at over £300m.

The Fund is split for investment purposes between external and internal managers. The internal team handles a portfolio of about £120m UK equities and gilts. The Investments Manager is responsible both for administration of the whole fund and for management of the internal portfolio and the Council's loan debt.

Salary for the post is on a range of £16,529-£18,377 (award pending) and a relocation package is available. The Council's offices are in the pleasant market town of Beverley. Housing is reasonably priced and there is a ready access to city shopping, the sea and fine open country. Further particulars and application forms (returnable by 12 September) can be obtained either by ringing: David Alien on 0482 867131 ext 3331 or Stuart Postill on ext 3487 or by writing to:—

Director of Finance, County Hall, Beverley, North Humberside HU17 9AB

#### FINANCIAL CONTROLLER

(Vice President)

IED, the International institute for Environment and Development, a policy research organisation working on servironmental issues in the Third World, seeks a senior executive to head its operations and financial control World, speks a senior executive to read the operations and interests contains systems.
Ha/she will be based in London, with periodic visits to Washington DC. Five years of experience in programme/project management and financial oversight required. Degrees in Business Management or Accounting/Finance proferred. Interest in environment and development useful.

INED is an equal opportunity employer.

Interested condidetes should send a CV with salary history to:

The President, Department JA, 3 Endsleigh Street, London WC1H ODD

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## Accountancy Appointments

## **Appointments** Wednesday?

From WEDNESDAY, SEPTEMBER 10, the GENERAL APPOINTMENTS section will appear on Wednesdays ACCOUNTANCY APPOINTMENTS will continue to appear every

Thursday as usual

The reorganisation of the Appointments Pages will enable the Financial Times to offer a substantially improved service to recruitment advertisers and their audience.

Copy deadlines for the Appointments pages are 3 pm on Friday of the week preceding publication for Wednesday and remain unchanged for publication on Thursday.

> For more information contact: Louise Hunter on 01-248 8000, extension, 3588

Jane Liversidge on 01-248 8000, extension 4177

or Daniel Berry on 01-248 8000, extension 3456

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

LONDON - FRANKFURT - NEW YORK

#### Financial Controller/Company Secretary circa £20,000 pa+car

We are the U.K. subsidiary of an international company selling sophisticated domestic appliances.

We seek a young accountant (25-35) to take complete charge of the finance and administration function for the head office and regional sales branches. Candidates will also be responsible for the computer system and for managing the small head office team including the consumer finance section. As the most senior financial person you will take an active part in the management of the company. This position will suit candidates identifying with a smaller company/service sector background. background.

Please send your curriculum vitae (marked private), details of present remuneration and daytime telephone number to: Financial Controller

VORWERK (U.R.) LTD Unit A, Toutley Road, Wokingham, Berkshire RG11 5QN

### **Key Central Accounting Posts** West London

A major UK group with over 60 operating companies whose products and services are household names is seeking to strengthen its corporate headquarters accounting staff. The following vacancies arise in the company's highly professional central accounting team where new technology is being harnessed to meet the information needs of the Board and operating

Assistant Group Accounting Manager (Ref. 5126/FT) c£221/2K+car Reporting to the Group Accounting Manager and assisting in the preparation and analysis of consolidated financial reports covering the organisation world wide, Applicants should be:

qualified Chartered or Certified Accountants

★ in the age range 26-35

experienced in the assembly and review of performance reports and statutory accounting data in a large commercial or industrial organisation

familiar with computer based accounting systems.

Senior Accountant (Ref: 5128/FT)

Working in the Group Accounting Department you will assist in the preparation of consolidated and financial reports with key responsibility for the commentary on Board Reports and liaison with the Group Systems Department on accounting systems development.

A qualified accountant with first class financial accounting skills and an aptitude for presenting accounting reports in graphic and narrative form

 Computer literate, preferably with systems implementation experience 

Deputy Manager, Corporate Accounting (Ref. 5129/FT) c£22K+car Reporting to the Manager, Corporate Accounting you will have day to day responsibility for the management of up to a dozen staff who are responsible for the corporate accounts of the parent company and over 100 registered companies, as well as accounting for corporate headquarters costs and the other service departments in the group. There will be significant involvement in the implementation of a new computer system. The successful candidate will

\* a Chartered Accountant with at least 2 years post qualification experience or a Certified or Cost and Management Accountant with some staff management

# in the age range 24-30

 $\*$  an accounting purist with good systems experience.

The vacancies are in a challenging and lively environment and each could lead to a significant career move within 2/3 years. Write, in confidence, quoting the appropriate reference number, to John Gregory, J. C. & P. Selection Consultants, 356 Silbury Boulevard, Central Milton Keynes MK9 2LR, Both men and women may apply.

John Courtis and Partners

#### Financial Controller RETAILING

London

c£24,000+Car

Our client has an international reputation, is accountants, preferably graduates and aged in market leader in the UK and has a name which their late 20's. Whilst knowledge of retailing is is synonomous with its specialist sector of retailing. In turn, it is a strategically important part of its parent Group — a major plc — who are planning to expand their operations

A young, ambitious finance executive is now sought who will report to the Chief Executive and assume full responsibility for the finance function including statutory and management accounts. Key responsibilities will be the timely reporting to senior management both within the Company and at Group level, budgeting, and the introduction of new financial systems to handle the forthcoming growth.

handle the forthcoming growth. Candidates, male or female, must be qualified

a considerable advantage, strong management accounting and systems experience are more important. An essential quality will be the desire to prove themselves in an ideal first management appointment, challenging in itself, and with outstanding career prospects in one of the most successful retailing Groups. In addition to a basic salary of c£24,000 the attractive remuneration package includes a car, bonus, and other benefits normally associated

Please reply in complete confidence, enclosing full career details, to M P Hann, Bull Thompson and Associates Ltd., 63 St Martin's Lane, London WC2N 4JX, quoting Ref No 1156.

Thompson

CORPORATE AND RECRUITMENT CONSULTANTS

#### International Appointments

Our client, a subsidiary of a major British multinational manufacturing group wishes to appoint an

### **Administration Director**

c Pts 7 million

For their expanding Spanish operation. With 400 employees and a projected sales turnover of Pts 5,300 million for 1987, this newly created position offers a major career challenge for a professionally qualified accountant in an international The role will require the successful candidate to direct the activities of the financial

and administrative functions to ensure effective contributions to business planning, management control and profit performance within the established statutory framework The job holder will report to the Director and General Manager and the main

emphasis of the role will be to improve the financial and management control in a manufacturing business with a high proportion of export sales. In addition the position controls, through reporting managers, the important functions of Material Procurement, Personnel Management and Systems Design. For this position candidates will be up to 45 years of age, qualified accountants with

experience in an international business environment and fluent in both English

Interested applicants should contact Jim Dick on 01-831 0431 or write, with c.v., to Michael Page International, 39-41 Parker Street, London WC2B 5LH.



Michael Page International Recruitment Consultants

London Brussels New York Paris Sydney A member of Addison Consultancy Group PLC

EMPLOYMENT CONDITIONS

ABROAD LIMITED

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Tel: 01-351 7151

APPOINTMENTS ADVERTISING 541 per single column centimetre and £12 per line Premium positions will be charged £48 per single column centimetre For further information, call: Louise Hunter 01-248 4864 Jane Livesidge 01-248 Danie Berry 01-248 4782

MAJOR BANK

#### **Internal Audit Manager-International**

**SWITZERLAND** 

Our client, one of the top 20 banks in Switzerland, seeks a self-starting, motivated CPA, aged 30-38, with at least five years of relevant experience in the field of financial and operational audits of banks or similar financial

Reporting to the Chief Inspector, he will be in charge of planning, organising and leading the audits in the non-Swiss-based operations, mainly in North America, the U.K., in the Caribbean and in the related departments at the Read Office. Your integrity and high professional work standards are definitive musts. Full acquaintance with the U.S. accounting principles and familiarity with banking and S.E.C. regulations are required.

If you are interested in a professionally and financially rewarding position, based in Switzerland with good career opportunities, please submit your résumé in confidence to:

Personnel and Management Consultants Inc. P.O. Box 315, 8030 Zurich, Switzerland Tel: 00411 252 12 60

#### MANAGER AVIATION SPARES

EQUATOR AVIATION SERVICES
Oak Avenue, Hartford, Connecticut
(ATTN: Laura Kavenseh)

**AUDIT PROFESSIONALS** 

London Galling Here at Arthur Young in London ours is a story of continuing success, of positive business development

and of greater investment in our most important asset --Ours is an environment where the successful professional can flourish, where individuality is

encouraged and where astute business acumen and good ideas are backed with management commitment.

#### Audit Seniors/Audit Managers

Our London based audit department is looking for a number of key individuals to further strengthen our professional team. On offer you'll find market leading remuneration packages that include assistance with relocation, and even more importantly you'll find an enlightened progressive approach to career building that sees early advancement for young, accomplished professionals. So whether you're currently on assignment or contract; in practice or in industry, now is the time to find out more about a career with Arthur

Your first stop is to forward full personal and career details to: Nigel Wild, Personnel Resourcing Manager, Arthur Young, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH. Alternatively if you plan on being in the UK over the next few months call Nigel Wild in London on 01-831 7130, Telefax: 01-405 2147, Telex: 888604.



Arthur Young

Your *next* good idea

### **CHIEF ACCOUNTANT**

27-35

Central London £22,500 + car

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A Chief Accountant is required by a successful company with a turnover approaching £8 million retailing computers to commercial users. The company is a subsidiary of a substantial diversified group.

Reporting to the Managing Director the Chief Accountant will be responsible for the efficient running of the accounts department, the design and installation of systems, giving priority to establishing a stock control system, cash flow, credit control, budgetary control systems, the production of monthly management information and annual accounts.

with several years commercial experience. Computer knowledge is mandatory and previous involvement in a retail company would be an advantage.

Salary is negotiable to £22,500 and there are attractive fringe benefits including

Please send a comprehensive career resume, including salary history and daytime telephone number, quoting ref: 2698 to W.L. Tait, Executive Selection

### **△**Touche Ross

The Business Partners

Hill House, 1 Little New Street, London EC4A 3TR. Telephone: 01-353 8011.

#### FINANCIAL CONTROLLER **SOFTWARE HOUSE**

S.W. London/Surrey

c.£25,000 + car

Our client is the newly-formed UK subsidiary of an established US As a key member of the management team the financial controller

will initially be responsible for establishing the finance, administration and secretarial functions of the company. Applicants, aged around 30, must be qualified accountants with at least three years commercial experience. Familiarity with computer based

accounting systems is essential and experience in the computer industry would be advantageous. In addition to the basic salary there is an incentive bonus scheme, pension

and associated fringe benefits. Please send full career details to Mike Gostick, quoting reference F576G, at Ernst & Whimney Management Consultants, Becket House, 1 Lambeth Palace Road, London SEI 7EU. An early reply is essential.

Ernst & Whinney

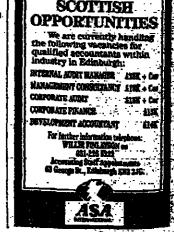
General Appointments

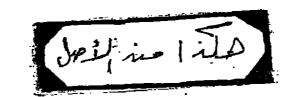
TRAINEE BROKER

Trainee Broker. The successful applicant will be about 25-35 years old, hard working and presentable. No previous experience necessary as full training given.

For a confidential interview Telephone Steve Young on Q1-<del>499</del> 8400







### Accountancy Appointments

### Corporate Recovery/ Insolvency

In the Corporate Recovery/Insolvency practice at Arthur Young we

- Investigating and reporting on companies with liquidity problems. We advise directors and management on how to restore companies to
- Receiverships and liquidations where there is no other option. We maximise realisations by selling businesses as going concerns.

We need newly qualified chartered accountants, with or without relevant experience, or experienced insolvency practitioners who have already demonstrated ability in this kind of work for our London and other UK

You must be self motivated and have excellent commercial and personal skills to succeed.

In return we offer a highly competitive salary and first class opportunities for career progression. If you are interested, please contact Elaine Curtis on 01-831 7130 for an

informal discussion or write to her in confidence enclosing concise personal and career details at:

Arthur Young, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH.

**Arthur Young** 

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Your next good idea

### YOUNG FINANCE DIRECTORS OF THE FUTURE

If you can answer "yes" to the following questions, then our client would like to know about you.

Live or prepared to live within commuting distance of South Cheshire? Qualified ACMA or ACCA?

Do you have the ability, potential and ambition to become

Have you several years experience in the implementation of a standard

Do you have large company manufacturing exposure?

Are you capable of managing and motivating an Accounting Department? Have you the ability to act in a general commercial capacity?

Your personal abilities include initiative, high energy level and first class enalytical and communication skills? Prepared to spend 2-3 years in managing the enhancement and sophistication of computerised reporting systems?

Are you prepared to join a major successful plc who can offer you excellent career opportunities?

Interested in a negotiable salary of £17,000 + car scheme?

WHO IS OUR CLIENT?

It is a £100m+ Company, part of a significant British plc. Products include many household names and the company has established itself as a market leader. They are keen to identify an individual with the above qualities for a new and demanding role. Benefits are as would be expected from a major group and include relocation assistance where applicable.

G. Sable. Ref: 29683/FT. Mals or female candidates abould telephone in confidence for a Personal History Form. 081 832 3500. Hoggett Bowers plc., St. John's Court, 78 Gartside St., Manchester M3 3EL.

### Financial Accounts Manager

#### **Major Financial Services Group Portsmouth**

Schroder Financial Management provides an integrated and comprehensive range of financial services to individuals, partnerships and private companies. We currently employ over 600 staff based in over 20 locations in the United Kingdom.

As a result of internal promotion we are seeking an Accountant to manage and develop the Financial Accounts Department of Schroder Financial Management Limited. Reporting to the Group Financial Accountant, this position will involve the development and implementation of computerised accounting systems, the control of each flow within the Group, preparation of Group statutory accounts and returns, and co-ordination of the work of approximately 35 staff.

The ideal candidate will be aged late 20s/early 30s, fully qualified, with post qualification experience in the financial services sector and experience of both mainframe and micro based computer accounting systems. Highly self-motivated and adaptable to change, he/she will have had responsibility for staff management and be able to demonstrate good communication skills at all levels.

The position is based in our Head Office situated in the centre of Portsmouth and offers a very competitive salary plus a substantial range of benefits, which include mortgage subsidy, non-contributory pension scheme, any car and comprehensive relocation as

For further details and/or application form, please

Miss Jean Brooks, Group Personnel Officer, Schroder Financial Management Limited, Enterprise House, Isambard Brunel Road, PORTSMOUTH PO1 2AW. elephone Portsmouth (0705) 827733 Ext.335.



Schroder Financial Management

UNIT TRUSTS · LIFE ASSURANCE · PENSIONS · ASSET MANAGEMENT

### **Finance Director** North West c£25,000 + Car + Benefits

Our client is a highly profitable international subsidiary of a major construction and engineering group with interests throughout the world. The group has been restructured to enable all international activities to be channelled through this company and the Finance Director will be appointed to manage the company's finance function and the group's exchange exposure. In addition to the normal responsibilities associated with a position of this seniority, the successful applicant will be expected to contribute significantly to the commercial management of the business, working closely with the Chief Executive to improve profitability and market share.

Candidates, preferably over 30, should be qualified accountants who can demonstrate a track record of proven technical expertise and managerial ability, coupled with the personal presence, communicative skills and commercial awareness required to make a positive contribution to the profitable development of the group. While international and contracting experience would be preferred it is not essential. Comprehensive relocation facilities are available where appropriate. Interested applicants should write to Paul Lyons ACA, quoting Ref. 7050 at Michael Page Partnership, Clarendon House, 81 Mosley Street, Manchester M2 3LQ.

Michael Page Partnership

International Recruitment Consultants. London Windsor Bristol Birmingham Nottingham Manchester Leeds Glasgow & Worldwide A member of Addison Consultancy Group PLC

### **FINANCIAL CONTROLLER** (DIRECTOR DESIGNATE)

London

Emolument package up to £60,000

Our client is a strongly based capital investment company which, as part of its continuing expansion programme, is moving into the retail sector. Pursuance of this policy, which will necessitate a number of acquisitions, has led to the decision to appoint a Financial Controller.

The successful candidate will be responsible for the introduction of financial controls and management information systems into newly acquired subsidiaries, and will be involved in the investigation and appraisal of further acquisitions. To establish credibility in this highly sales and marketing orientated environment, whilst exercising sound business accumen, demands particular personal skills. In addition to possessing these skills, candidates should be chartered accountants, aged 35-45, who have already achieved a similar level of responsibility, ideally in an imag environment.

Written applications, enclosing up-to-date curriculum vitae, should be submitted in strict confidence to

410 Strand, London WC2B ONS. Tel: 01-836 9501 163a Bath Street, Glasgow G2 4SQ. Tel: 041-226 3101 India Bulklings, Water Street, Liverpool L2 0RA. Tel: 051-227 1412 113/115 George Street, Edinburgh EH2 4IN. Tel: 031-225 7744 Brook House, 77 Fountain Street Manchester M2 2EE. Tel: 061-236 1553

#### FINANCIAL DIRECTOR DESIGNATE Age 30 - 40 Up to £35,000 & Car

LONDON

This position arises in a group of companies engaged in the property development and investment fields.

Reporting to the Chairman - the Financial Director Designate will be responsible for negotiations with Banks and Financial Institutions; cash flow; provision of management information, running the accounts department and administration and secretarial matters.

Candidates must be qualified accountants in the age range 30 - 40 and financial experience in property development and investment is desirable. This could have been obtained either in a property development company, or a financial institution or the accounting profession. Prospects are excellent and appointment to Financial Director is envisaged in about one year.

Please send a comprehensive career resume, including salary history and day-time telephone number, quoting ref. 2694 to W. L. Tait, Executive Selection Division.

### **△**Touche Ross

The Business Partners

Hill House, I Little New Street, London EC4A 3TR. Telephone: 01-353 8011.

#### GROUP FINANCIAL CONTROLLER

Surrey

£35-40K package

Our client is a profitable British building products and plastics company, with an annual turnover around £150 million and and external advisers. 15 operating companies. Its well known product range is likely to be increased through acquisitions and the Company will go public in

about two years.

Reporting to the Finance
Director, the position is crucial to the effectiveness of a small group of professionals, about to move from Central London to a new head office in Woking. Working with the financial heads of the operating companies, the job holder has responsibility for financial analysis and a wide variety of other financial matters. in particular, these will include budgeting and planning treasury and taxation. There will be

You will be qualified and unlikely to be less than 30. You must have relevant experience in a substantial manufacturing company which is marketing driven. Desirably, you should have worked in a US multi-national and also be experienced in acquisitions and divestments, it is essential that you have the personal qualities to work on an equal footing with the Group's The attractive remuneration arrangements will include your

choice of a quality executive car and a profit sharing bonus not likely to be less than 30%.

Please write to Keith McNeish (quoting reference 550) showing how you meet the above criteria and enclosing a copy of your

cc&p

CC & P International Limited 26/28 Bedford Row London WC1R 4HF

### Young Accountant London/Amsterdam

One of the best known financial groups offers an exceptional career opportunity to a finalist or newly qualified accountant aged mid 20s. After a short introduction to the group's business and accounting methods in the London Head Office, you will be seconded to Its Dutch subsidiary based in Amsterdam early

in 1987 for up to two years.

This will coincide with the transfer of

accounting responsibilities from

London to Amsterdam, Main

tasks will include

group purposes and assisting with the implementation of computerised systems. Rent free accommodation will be provided in Amsterdam: salary is negotiable c.£16,000 and additional benefits include a non-contributory pension and low cost mortgage. Contact David Tod BSc FCA

controlling this transfer; developing financial

and management reporting for both local and

on 01-405 3499 quoting ref D/479/AF.

Lloyd Management JOHN SWIRE & SONS LIMITED



#### **Recently Qualified Accountant**

The Head Office of this international group is seeking a young qualified accountant as assistant to the Group Financial Accountant in London (currently in the City but moving to the Victoria area in 1988).

The successful applicant will be responsible for the Head Office accounts department, undertake the preparation of statutory accounts, budgets and management accounts for a number of companies and assist with the Group con-

A competitive salary, car and other benefits will be offered.

> Write in confidence to: J. C. Brodie, Personnel Manager JOHN SWIRE & SONS LTD Regis House, 43-46 King William Street

GROUP FINANCIAL DIRECTOR (DESIGNATE) LONDON

**London EC4R 9BE** 

c. £27,500 + SHARE OPTIONS + CAR oup plc, is one of the fastest growing marketing communica-

tions and media groups in the UK. We are currently seeking a young chartered accountant to fulfill a key role as the fourth member designate of our pic board. This is a high profile role and includes total responsibility for all accounting and financial functions. Expeigation as well as accounts computerisation is vital. The successful candidate can expect to work long hours, some including weekends. imate rewards are tied entirely to effort. Initial package will fully reflect the importance that the Group Board places on this key appoir

Reply in the first instance, it

R J Cox, Chairman, Catalyst Communications plc, Catalyst House, 55 Catherine Place, London SWIE 6DY

### FINANCIAL CONTROLLER/ DIRECTOR DESIGNATE

c. £22,000 + Benefits

London's premier metal merchants require a dedicated, determined and enthusiastic qualified accountant to play a key role in the development of an exciting group of companies. With turnover currently running at an annual rate of £12m, and rapidly rising, and a substantial interest in one of London's most prestigious property developments, this position will suit an ambitious accountant with a positive attitude to responsibility. Candidates must be qualified accountants, preferably under forty, with an ability to organise and to work under pressure. The successful candidate will be responsible for all aspects of the finance function as well as taking an active involvement in the general management of the group. He will work closely with, and report to, the Managing Director and can expect a Board appointment within the short term.

Please write, enclosing a comprehensive curriculum vitae including details of present solary and day-time telephone number, to: Neil M. Gillam

BLEASE LLOYD & CO Pemberton House, 4-6 East Harding Street London EC4A 3HY

## Accountancy Appointments

### **Opportunities for Accountants** in new division

#### Central London up to £20,000

British Telecom's International Products Division has been recently set up to take over the group's activities in the development, manufacture and overseas marketing of new high technology telecommunications products.
This has led to the creation of two positions within

the division's Central Finance Department, reporting to the Chief Accountant. These new posts provide a unique opportunity to make a major, immediate and highly visible contribution to the success of the business.

#### Financial Accountant up to £20,000

This is a highly challenging position and the responsibilities of the successful applicant will include:

the preparation of all consolidated financial accounts

- for the division, which includes UK and overseas subsidiaries and
- setting up and developing financial accounting

He/she will be a graduate Chartered Accountant, ideally aged 25-30, with experience of financial

consolidation work and texation on an international

#### Management Accountant up to £17,000

- This broad-ranging and stimulating position will cover: monitoring the performance of existing business
- advising on potential acquisitions and developing and improving management information

He/she will be a graduate finalist or recently qualified member of a recognised accounting body (e.g. ACA, ACCA, ACMA). Experience of working in a commercial environment and familiarity with micro-

computers are essential Please apply, in confidence, quoting reference 251/1 (F.A.) or 252/1 (M.A.) to Charles Barker MSI, 30 Farringdon Street, London EC4A 4EA. Tel: 01-634 1143.

**British** 

TELECOM

#### **Baring Securities** Limited

## **Financial Accountant**

**London EC3** c£17,500 plus substantial bonus Our client, a Member of the Stock Exchange, is an international security dealer specialising in Japanese equities and Euro-conventibles. The Company has grown rapidly in recent months and is now seeking to expend its activities into other markets, notably European equities.

This has created a new vacancy for an Accountant to join the Financial Controller's team and to be responsible for a range of important day controller's team and to be responsible for a range of important day receivities. The emphasis is on implementing and supervising further controls over cash, trading and stock positions in order to provide more accurate and up to date management information. The volume of work and its complicitly in the field of multi-currency operations is extremely challenging.

The appointment calls for a newly or recently qualified Accountant familiar with computers and ideally with some experience with a stockbroker or similar financial institution. The successful candidate will be personelly energetic, professionally meticulous and motivated by corporate and personal prosperity.

There are excellent opportunities in this go-ahead young company where the management style is informal and the team are hard-working end friendly. A starting salary around £17,500 is proposed together with a substantial profit related bonus and BUPA contributions.

Applicants in their twenties should write with a cv and daytime telephone number quoting reference 1471 to:

#### BinderHamlyn

MANAGEMENT CONSULTANTS Trevor Austin, Executive Selection Division Binder Hamlyn Management Consultants 8 St Bride Street, London EC4A 4DA

#### FINANCIAL **ACCOUNTANT**

SOUTHPORT c. £20,000+CAR

We are a profitable private company with a £9m turnover, selling to livestock farmers both here and overseas.

Reporting to the Managing Director, the successful applicant will assume responsibilities for all accounting and management reporting activities.

Candidates must be commercially orientated, professionally qualified accountants in their mid/late thirties. As a key member of the management team they will be expected to contribute to the continued expansion of the Company. Both technical expertise and enthusiasm are vital.

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Please write fully, in confidence, to: Mr J. H. Sowler (Chairman)

Tithebarn Limited PO Box 20, Tithebarn House Weld Road, Southport Merseyside PR8 2LY

**Appointments** 

Advertising

£41 per single

column centimetre

and £12 per line

### International Role for Young CA/CCA/CMA

C. London + some w'wide travel

c£20,000 + car + bonus

Our client is a successful U.S. multinational, leader in Information Services to specialist

Based at the H.Q. of their International Communications Division, you will be a key member of a three-man finance team, headed by the Controller. Your free-ranging brief will include conducting business and financial reviews, acquisition and profitability studies, as well as involvement in a variety of problem-solving projects, and you may expect to spend up to 30% of your time out of UK visiting their worldwide subsidiary companies, working alongside and assisting senior management. You will also be responsible for divisional financial reporting and the developing of improved

A challenging financial management role for a young accountant (25-30) currently working either in the profession or in commerce, who, in addition to excellent personal qualities, can offer some relevant investigative, commercial or problem-solving

For a detailed and confidential discussion call **Nell Wax** on **01-387 5400** (out of hours on 0923 43033) or write with full c.v. to:—

FINANCIAL SELECTION SERVICES

DRAYTON HOUSE, GORDON STREET, BLOOMSHURY, LONDON WITH OAN TELEPHONE: 01:387 5400

### **BUSINESS ANALYSIS & REVIEW**

business sectors, whose continued growth is the result of innovations, acquisitions and geographic growth in the major markets of the world.

Premium positions will be charged £49 per single column centimetre

For further information, call:

Louise Hunter 01-248 4864

Jane Liversidge

01-248 5205 Daniel Berry 01-248 4782

### **FINANCIAL DIRECTOR DESIGNATE**

**ADVERTISING** & PROMOTIONAL GIFT COMPANY

c£30,000 pa + car + benefits



Located in Battersea we are an expanding company in a growth industry supplying advertising nal aifts to blue o Our turnover this year should be circa £4m and our objective is to double this in the following two years. We will be looking towards a U.S.M. listing within that time. It is our intention to move to 16,000 sq. ft. of modernised freehold premises, close to our existing premises, early next year which should provide ample space for these expansion plans.

We urgently require a Financial Director Designate capable of a major contribution towards this expansion. We currently employ 35 people but the Accounts Dept consists of 4 persons. The post would require that total responsibility be assumed to handle all financial planning, budgetary control, monthly management accounts and cash flows together with the implementation of general management functions. A complete reorganisation of the computerisation will be a priority.

The Profile of the most suitable candidate would be in keeping with the objective of the proposed Public flotation, a qualified accountant with drive and enthusiasm, age likely to be 30-40 years.

Send full C.V. to A. P. Cohen, Director, Incentive Group of Companies, 107-105 Plough Road, London, SW11 2BG.

### **Finance Director**

#### North West

Our client is established as one of the top three Advertising Agencies in the North West, with billings in excess of £20m, and has developed an unrivalled creative reputation. In addition they operate several subsidiaries in related business areas, based in the North West and London. Expansion during the last five years has been exceptional and further growth is planned.

The company has now identified the need to appoint a Finance Director who will play a vital role in the development, expansion and diversification of the business, in addition to assuming overall responsibility for financial control and management information.

The successful candidate, aged 32-45, is likely to be a graduate Chartered Accountant with broad

c.30,000+car

accounting experience gained in a dynamic working environment. Experience of advertising agencies would be an advantage, whilst previous experience in acquisitions and investigations is essential. He/she will have highly developed interpersonal skills and will be more than usually commercially aware.

Candidates who can demonstrate a pro-active approach and who can be seen to have the ability to develop a challenging role within this forward looking organisation should apply in confidence to Brian Marren, Douglas Llambias Associates, Brook House, 77 Fountain Street, Manchester M2 2EE - ' or telephone 061-236 1553.

BROOK HOUSE, 77 FOUNTAIN STREET. MANCHESTER M2 2EE.

## MANAGEMENT ACCOUNTANT

Profitability and expansion both in the North Sea and internationally, typify ARCO British Limited, the highly successful subsidiary of one of the world's largest oil and gas companies. Company growth has created this opening for a talented and ambitious Management Accountant.

This role will make stimulating and accelerating demands on you to become an accomplished, adaptable generalis across a broad field of activities. Your responsibilities will include: the preparation of financial reports within strict deadlines for our British and Netherlands subsidiaries; annual operated joint venture

**ARCO** 

c. £20,000, Car

budgets; our internal Company budget; management presentations; capital/profit/ cash flow forecasting and performance

Aged 25-35, you are likely to be qualified with experience of the oil industry and vitally your personality and expertise will enable you to develop your career with an expanding oil company.

In addition to a very competitive salary package you will enjoy substantial benefits which include a non-contributory pension scheme, life assurance, Company paid private patients scheme and relocation

expenses if necessary.
For an application form telephone or write to: Julian Yates, ARCO British Ltd, ARCO House, 48 Grosvenor Street, London W1X QAN. Telephone (01) 409 2466 ext. 200.

ARCO British Ltd., a highly successful subsidiary of Atlantic Richfield Company, is actively exploring and developing key areas in the North Sea. These involve 21 operated licences in the Southern Gas Basin including the Thames Gas Complex. In addition, we are involved in non-operating producing interests in the U.K. and the Netherlands, and have substantial holdings in Norway, notwithstanding large operations worldwide.



#### FINANCIAL CONTROLLER

Up to £20,000 + Benefits

A Chartered Accountant, aged 26-30, is required by a successful and expanding privately-owned group to manage the accounting function at one of its light engineering companies, based in North-West Kent.

The successful candidate will be experienced in preparing management information and statutory accounts to tight deadlines, will have a sound working knowledge of corporate deadlines, will have a sound working knowledge of corporate taxation and be able to advise on financial matters generally. As part of a small professional management leam the appointee must be self-motivated with a down-to-earth, practical personality. Good prospects for board promotion. This position reports to the managing director and encompasses the company secretarial function.

G. Scotton, F.C.A. FIRST OLYMPIAN SECURITIES LIMITED Centre House, Victory Way, Heston Middlesex TW5 9NS

Please apply in writing, with full curriculum vitae, to:

MOTOR COMPONENTS DISTRIBUTOR requires

QUALIFIED ACCOUNTANT Aged under 35, to take responsibility for all aspects of company finance and accounts including development of computerised systems (I.B.M.).

Appointment initially will be Senior Accountant but prospects

for promotion all the way to Board level are excellent for the right person willing to prove his/her ability.

The company, founded in 1979, is expanding and turnover exceeds £3.5m. Salary (negotiable according to age and experience) will be not less than £15,000 to start, with all usual frings hencets. fringe benefits.

Applications with complete curriculum vitae please to: Robin Bourne
TRUST PARTS LTD
Unit 7, Groundwell Industrial Estate, Swindon SN2 5AY

## Hoggett Bowers Executive Search and Selection Consultants

### Financial Director

Mechanical & Electrical Equipment South Cheshire

Highly export orientated, this specialist engineering company with an annual turnover of £10m + is part of a major British Group. As part of the Executive Management Team, and reporting to the Managing Director, this key role offers the opportunity of both controlling the financial affairs of the company and assisting in its future growth strategy. Key accountabilities will include financial and manufacturing systems development, export finance, contract negotiation and all accounting reporting and general administration. The demands of the position requires the talents and experience of a qualified accountant, aged 28-35. requires the talents and experience of a qualified accountant, aged 28-35, ACMA or ACA, preferably a graduate with several years relevant manufacturing exposure, essentially gained within an engineering environment. Experience of computerised systems is essential with a knowledge and involvement in the wider business areas being paramount to success. The international and commercial involvement of the role will ensure personal development. Opportunities and benefits

within the Group are considered excellent. G. Sable, Ref: 29689/FT. Male or female candidates should telephone in confidence for a Personal History Form 061-832 3500, Hoggett Bowers plc, St. John's Court, 78 Gartside Street, MANCHESTER, M3 3EL.

#### FINANCIAL CONTROLLER

For a private company situated 12 miles south east of London engaged in light industry. The initial task will be to develop cost and management accounting systems and instal a micro-computer. The successful candidate will ultimately take over from Financial Director on his retirement. Preference will be given to applicants with A.C.M.A. or similar qualifications aged around 30. Salary to be negotiated. Reply to: Bernard Wheeler, 7 Wine Office Court, Fleet Street, London EC4A 3BY.

#### **RISK MANAGER – EUROPE INTERNATIONAL CREDIT AND INSURANCE MANAGEMENT**

Eaton Limited is the UK subsidiary of the US multinational Eaton Corporation, a worldwide manufacturer of advanced technology products for automotive, electronics, defence and capital goods markets.

An exciting opportunity has arisen for a self motivated and professional manager to assume responsibility for:

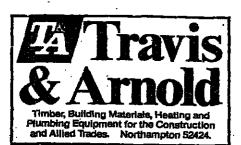
 Development of practical and flexible Credit Management practices and procedures.
 Direction of optimal and cost effective insurance Management programmes. Both responsibilities cover all Eaton facilities in the UK and mainland Europe and therefore considerable travel will be necessary.

Applicants should be educated to degree level or possess a relevant professional qualification. Of equal importance is a keen business acumen and awareness gained through several years experience ideally in the field of International credit and collections. or an associated discipline. The seniority of the position makes it unlikely that anyoneunder thirty years of age will have sufficient experience.

The position is based at our European Headquarters at Hounslow, and attracts a competitive salary and benefits package, including a company car. Assistance with relocation expenses will be given where appropriate.

Applicants (male or female) should forward a comprehensive curricultum vitae to: Graham Barwell, Eaton Limited, Eaton House, Staines Road, Hounslow, Middlesex TW4 50X. Telephone: 01-572 7057.

F:T-N



### SECTION II - COMPANIES AND MARKETS FINANCIALTIMES

Thursday August 28 1986



BRANCHES CLOSE AND STAFF ARE AXED AS CRUZADO PLAN TAKES ITS TOLL

### Profits plunge for most Brazilian banks

BY ANN CHARTERS IN SAO PAULO

BRAZILIAN bank profits, with a few exceptions, fell sharply in the first half of 1986 as banks adjusted to life under Brazil's Cruzado plan which de-indexed the economy from inflation rates running close to 500 per cent a year.

When the economic adjustments took effect on March 1, banks saw their considerable income from fund transfers dry up overnight while costs were no longer camouflaged by inflation.

To counter sharp drops in revenues, banks cut costs by closing branches, reducing personnel or lowering operating expenses. Most private banking and financial ser- to 40,000. Unlike other banks, Na-banks chose to charge off expenses vices conglomerate, reported concional has chosen to defer its ex-

Because of the extraordinary charge-offs and the conversion of fi-nancial assets and liabilities to Cru-

zados, which eliminated correction for inflation, banks declined to publish comparative figures for previous periods. Revenues permitting. banks preferred to take expenses associated with the changeover in this period to lower their tax bill. than 15,000 from March to the end Because the charge-offs are gen- of July erally being taken in the first half.

Banc profits may improve in the second six months.

Itau, the country's second largest

BY OUR NEW YORK STAFF

controls the world's biggest contain-

er leasing and fleet leasing compa-

nies, yesterday unveiled a sweeping

restructuring of the group and plans to retire up to \$350m of unse-

The company, whose name is an

cured debt.

half of 1985 and 19.9 per cent from the first half of last year.
Assets grew to Cz 103.2bn, up 21

per cent in dollar terms in the sixmonth period. The bank's operating results before tax were \$118m, a decline of 28.2 per cent from the first half of 1985. Cuts in personnel totalled more

Banco Nacional, the third largest banking and financial group, closed 110 branches, leaving 473 in operation, and cut staffing by 25 per cent

grade credit quality." These steps

include a tender offer for up to 3m

shares, or 23 per cent of the out-

standing equity, the sale of four

businesses and the omission of the

Under the terms of the tender of-

common stock dividend.

Gelco to restructure and retire debt

GELCO, the US company which der value and to achieve investment their shares in a price range of \$17- unsecured corporate debt with the

Banco Real, the fourth-ranking financial group, reported net profit cial services group, reported a real increase of 58 per cent in after-tax sight deposits increased 293 per cent to June to \$732m, or 72 per cent

Unibanco, the fifth largest financial services conglomerate, reported consolidated after-tax earnings of Cz 190.8m, a drop in real terms of 34 per cent over the same period last fore expenses connected with the year and a decline of 54 per cent in real terms over the second half of per cent over last year's second related to the adjustment to the cruzado plan in the first half, rather than defer charges over six re
related to the adjustment to the solidated after tax earnings of Cz penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting penses associated with the Cruzado six months to \$2.7bn, an increase of conversion over later reporting p

\$20 per share. Gelco shares jumped by \$3% to \$18% yesterday following

Gelco has had an erratic profit re-

cord in recent years and in the first

nine months of its current financial

year lost \$3.2m on revenues of \$772m.

Gelco plans to retire its \$350m of

porting periods as central bank terms, earnings declined 14.3 per of \$7.4m. Total deposits grew 86.5 to 33 per cent in the first two rules allow.

cent in real terms from the second per cent in the six months to \$1.3bn, months plus another 3.5 per cent for per cent in the six months to \$1.3bn, months plus another 3.5 per cent for while credit operations increased 55 the four months under the Cruzado

> the last half of 1985. Assets grew 63.2 per cent in real terms to \$2.3bn Operating results were \$60m before tax and adjustments for inflation.

Banco do Brasil, the country's largest government-controlled bank, reported pre-tax profits, bereal terms over the second half of per cent over last year's second 1985. Assets grew during the first half. After-tax earnings were Cz



#### Rawl to take over at Exxon

By Our New York Staff

MR LAWRENCE RAWL, aged 58, is to take over as chairman and chief executive of Exxon at the end of this year, succeeding Mr Clifton Garvin, who has headed the world's biggest oil company

Mr Bawl, who joined Exxon as a petroleum engineer in 1952, took over as president of Exxon 15 months ago, and has been re-garded as the natural successor to Mr Garvin. Mr Lee Raymond, aged 48, will take over as president of Exxon when Mr Rawl becomes chairman on January 1

Exxon, which has a strong balance sheet, has been able to ride out the collapse in world oil prices better than many of its ri-vals and its shares have been hitting new peaks in recent days. However, analysts believe that the company still needs to slim down its workforce.

Unlike Mr Garvin, who came to power in Exxon at a time when oil prices were soaring and oil panies were being criticised for making excess profits, Mr Rawl will take over at a time when the outlook for oil prices has never looked more uncertain and many companies are cutting

### US clothes maker to raise \$500m through share offer

MR WILLIAM Farley, a Chicago in- company for Farley Northwest Investor, is planning to raise more \$1.4bn leveraged buy-out financed almost entirely by debt.

ties and Exchange Commission The offering is part of a capital covering the public sale of 30m of restructuring and the net proceeds its class A common shares. It is cur- will be used to repay Farley/Northrently estimated that the public of- west's existing term bank loan, to fering, which is being conducted by retire the companies' publicly held Drexel Burnham Lambert and Mer- 7.5 per cent senior subordinated derill Lynch Capital Markets, will be bentures and to redeem various priced in the range of \$15% to \$18%. other preferred stocks and debt sec-Parley Apparel is the holding urities,

dustries and is the largest manufacthan \$500m through a public stock turer of men's and boy's underwear offering of Farley Apparel, the suc- in the US. It also manufactures and cessor of Northwest Industries, markets women's and girl's underwhich he acquired last year in a wear, screen print shorts and ho-\$1.4bn leveraged buy-out financed siery principally under the Fruit of the Loom, Bud, and Screen Stars Farley Apparel has filed a regis- brand names. The company is also tration statement with the Securi- a leading manufacturer of boots.

#### **Boardroom row breaks** out over Seaco

BY OUR NEW YORK CORRESPONDENT

boardroom of Seaco, the cash- earlier stage in its corporate life. strapped US leisure conglomerate. Sea Containers, which has guar-Orient Express, an up-market Euro- and shares many of the same board pean railway excursion, to Harry's members, had planned to bid for Bar, an exclusive London dining Seaco, But this plan was temporari-

Mr Jim Sherwood, the 52-year-old

side directors. Dillon Read had been hired earli-er this year to find a buyer for Sea-Neither side was saying anything co, which has run into serious fi- yesterday but it appears that there nancial problems partly because of has been a fundamental disagreethe drop in US tourism to Europe ment about what to do with Seaco. and partly because of its inability to which last week announced a sec-

A ROW has broken out in the ships which it inherited from an

whose interests range from the anteed \$50m of Seaco's borrowings, club, and the Turnberry Hotel in ly postponed while Dillon Read looked for another buyer.

Now Mr Sherwood, and an invest-American container leasing pioneer ment group controlling 21.9 per cent who heads Seaco as well as Sea of the company, are seeking to sack Containers, the Bermuda container the five non-management directors leasing company which owns Sea- and Dillon Read. They say, in a fillink British Ferries, has fallen out ing with the US Securities and Exwith Dillon Read, Seaco's New York change Commission, that they want investment bank, and Seaco's out to "obtain the power to direct or cause the direction of management

sell a fleet of lossmaking container ond-quarter loss of \$19.8m.

#### South African feed group earns profit

By Our Johannesburg Correspondent

KANHYM, South Africa's largest feed-lot operator, has earned a pretax profit for the first time since 1982 despite a fall in the operating profit. But management is cautious on immediate trading prospects. Demand for red meat has fallen as consumers have switched to less expensive products and the trend is not expected to reverse in the foreseeable future.

Turnover increased to R237.7m (\$61m) in the six months to June 30 from R222.7m in the first half of last year. Interim operating profits iell by two-fifths to R&O4m from R10.28m but a substantially lower interest bill led to a pre-tax profit of R403,000, against a loss of R10.86m

In 1985 as a whole turnover totalled R461.6m, the operating profit was R17.17m and the pre-tax loss

**NEW ISSUE** 

sing Company, announced a series to determine the purchase price. of measures to "enhance stockhol- Shareholders will be able to tender Oil slump hits Bank of Montreal

abbreviation of the General Lea- fer, a "Dutch auction" will be used

ported net profits for the third quarter of C\$88.3m (US\$63m) or 89 cents a share, down from CS90.5m or 97 cents a share last time, writes Our Financial Staff.

This took nine-month earnings to C\$271.8m or C\$2.78 a share, an in-C\$2.67 a share.

The bank said results for the quarter were adversely affected by

BANK OF MONTREAL, Canada's the impact of low oil prices and refsecond largest banking group, re- lected "persisting weakness in the C\$1.31. oil and gas sector.

The resulting loan loss provisions, together with the impact of foregone interest, reduced earnings for the three months by about C\$20m after tax. The third-quarter loan loss provi-

crease over last year's C5247.5m or sion was raised to C\$137.2m from last year's C\$104.9m

The bank increased its loan provision for the nine months to C\$306.3m from C\$224.2m the year before. The increase was due partly to

the general prudential provision for sovereign risk lending and the current value of the Canadian dollar against US currency, in which most Bank of Nova Scotia increased of the bank's sovereign risk loans nine-month earnings to CS286.4m are denominated, it said:

#### Navistar to cut workforce

proceeds from the sale of Gelco Tip

Trailer Leasing, Gelco Space, Gelco Express and the UK operations of

Gelco Fleet Management Services.

take place over the next year, Gel-

co's major businesses will be Gelco

fleet and Management Services,

Gelco Truck Services, and Gelco

After the disposals, which should

NAVISTAR International, the US truck company formerly known as International Harvester, plans to reduce its US marketing and administrative staff by 20 to 25 per cent, or 350 to 450 people, writes Our Financial Staff,

The company said it also planned to modify certain employee health benefit programmes, and that the two moves could save it \$40m



#### **BARCLAYS OVERSEAS INVESTMENT COMPANY B.V.**

(Incorporated with limited liability in The Netherlands)

¥40,000,000,000 6 per cent. Guaranteed Bonds due 1996

Guaranteed on a subordinated basis by

BARCLAYS BANK PLC (Incorporated with limited liability in England)

Barclays de Zoete Wedd Limited

The Nikko Securities Co., (Europe) Ltd.

Mitsuí Trust International Limited

Toyo Trust International Limited

Sumitomo Finance International

Daiwa Europe Limited Shearson Lehman Brothers International Bank of Tokyo International Limited Dai-Ichi Kangyo International Limited Fuji International Finance Limited Kidder, Peabody Securities Limited Mitsui Finance International Limited Nippon Kangyo Kakumaru (Europe) Limited Taiyo Kobe International Limited

Salomon Brothers International Limited Yamaichi International (Europe) Limited Banque Internationale à Luxembourg S.A. Dresdner Bank Aktiengesellschaft **IBJ** International Limited Kyowa Bank Nederland N.V. Nippon Credit International Limited Swiss Bank Corporation International Limited

Union Bank of Switzerland (Securities) Limited

28th August, 1986

appears as a matter of record only. 27th August, 1986

### National Australia 🖑 Bank Limited

(Incorporated with limited liability in the State of Victoria, Australia)

**U.S.\$50,000,000** 

Floating Rate/High Initial Spread Notes due 1993

Issue Price 100 per cent.

**Nomura International Limited** 

Kyowa Bank Nederland N.V.

Mitsubishi Trust International Limited

Mitsui Trust International Limited

**Sumitomo Finance International** 

**Tokai International Limited** 

Sanwa International Finance Limited U.S. \$80,000,000

The Sanwa Bank, Limited

CITIBAN(

NOTICE OF EARLY REDEMPTION



US \$50,000,000 Callable Negotiable Floating Rate

London Dollar Certificates of Deposit AV Centicate No. 003691-003740 issued on

Maturity Date 1984

Maturity Date 15th October 1987 Callable in October 1986

Notice is hereby given in accordance with Clause 5 of the Certificates of Deposit (the "Certificates") that pursuant to Clause 3 of the Certificates, The Tokai Bank, Limited will prepay all outstanding Certificates on 15th October 1986 (the "Prepayment Date"), at their principal amount.

Payment of the principal amount, together with accrued interest Payment of the principal amount, together with accrued interest to the Prepayment Date, will be made on the Prepayment Date against presentation and surrender of the Certificates at the London Branch of the Toka Bank, Limited, P & O Building, Leadenhall Suret, London EC3V 4RD. nterest will cease to accrue on the Certificates on the repayment Date.

Bank of America International Limited

## fOU f the rips avo eac wir nan ive H

NOTICE OF REDEMPTION

To the Holders of

#### TEXTRON INTERNATIONAL INC. (now Textron Inc.)

7%% Guaranteed Sinking Fund Debentures Due 1987

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of October 2, 1972 providing for the above Debentures, \$3,200,000 principal amount of said Debentures have been selected for redemption on October 1, 1986, through operation of the mandatory Sinking Fund at the redemption price of 100% of the principal amount thereof, together with accrued interest thereon to said date, as follows:

OUTSTANDING DEBENTURES OF \$1.000 EACH BEARING THE DISTINCTIVE NUMBERS ENDING IN ANY OF THE FOLLOWING TWO DIGITS:

10 12 15 20 33 38 40 43 57 59 67 72 77 80 11 14 17 22 34 39 42 47 58 66 69 73 78 81

ALSO OUTSTANDING DEBENTURES BEARING THE FOLLOWING NUMBERS:

On October 1, 1986, the Debentures designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Said Debentures will be paid, upon presentation and surrender thereof with all coupons appertaining thereto maturing after the redemption date, at the option of the holder either (a) at the corporate trust office of Morgan Guaranty Trust Company of New York, 13th Floor, 30 West Broadway, New York, N.Y. 10015, or (b) at the Main Offices of any of the following: Morgan Guaranty Trust Company of New York in Brussels, Frankfurt-am-Main, London, Paris, and Tokyo; the main office of Bank Mees & Hope N.V. in Amsterdam, the main office of Credito Romagnolo, S.p.A. in Milan, and the main office of Banque Generale du Luxembourg S.A. in Luxembourg.

On and after October 1, 1986 interest shall cease to accrue on the Debentures herein designated

On and after October 1, 1986 interest shall cease to accrue on the Debentures herein designated

On and after October 1, 1986 interest shall cease to accrue on the Debentures nerein designated for redemption.

Payments at the office of any Paying Agent outside of the United States will be made by United States dollar check drawn on, or transfer to a United States dollar account with, a bank in the Borough of Manhattan, City and State of New York. Any payment made by transfer to an account maintained by the Payee with a bank in the United States may be subject to reporting to the United States Internal Revenue Service ("IRS") and to back up withholding at a rate of 20% if payees not recognized as exempt recipients fall to provide the paying agent with executed IRS Form W-8 certifying under penalties of perjury that the payee is not a United States person, or an executed IRS Form W-9 certifying under penalties of perjury the payee's taxpayer identification number (employer identification number or social security number, as appropriate) those holders who are remired to provide their correct taxpayer identification number on IRS Form holders who are required to provide their correct taxpayer identification number on IRS Form W-9 and who failed to do so may also be subject to a penalty of \$50.00. Please therefore provide the appropriate certification when presenting your securities for payment.

TEXTRON INC. by: Morgan Guaranty Trust Company

The securities referred to below have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States or to United States persons as part of

the distribution. This announcement appears as a matter of record only.

**Japan Leasing Corporation** 

U.S.\$50,000,000

81/4% Guaranteed Bonds Due 1996

Unconditionally guaranteed as to payment of 1 incipal and interest by

The Long-Term Credit Bank of Japan,

Limited

Merrill Lynch Capital Markets

Dated: August 28, 1986

### INTERNATIONAL COMPANIES and FINANCE

Nick Garnett on the ambitions of the world's largest aluminium group

## Alcan's quiet European assets sale

ALCAN ALUMINIUM of marke Canada, the world's largest ducts. aluminium company, has been

ties the company sees as offer-ing it poor prospects. This sum-mer, Alcan has announced it will sell five extrusion plants in Continental Europe to Norsk Hydro. The deal, which should be concluded towards the end of the year, is at the heart of its strategic thinking. The sale should generate about one-third of the money Alcan has been pulling together through asset

Alcon is also reshaping itself Alcon is also resnaping itself in Europe, using its cash to consolidate and expand its other interests in a strategy that will take the company through until at least the mid-

Mr Pat Rich, regional vice-president for Europe, says Alcan will by them have reduced its dependence in Europe on aluminium for 94 per cent of its turnover to no more than three-quarters. That will mean new investment and operating changes, mainly in the UK. Germany, Spain and

trusion operations in Continen-tal Europe because, says Mr Rich, it does not hold a leading position and is finding it hard to make money in a crowded market. By contrast, its UK extrusion operations enjoy good

The company will attempt to aluminium company, has been quietly selling off some of its plants and other interests in Europe in a programme that will eventually generate around US\$140m in cash.

The programme is designed partly to disengage from activities the company sees as offer-ties the company sees as offer-ties. tions, for example, to purchase a 60.5 per cent stake in Trafi-lerie, a rolling plant hear Milan, from Pechiney. This will be linked with Alcan's existing plant nearby at Bresso, if the

deal goes through.

The Canadian company also wants to keep up its leading position in the market for foil, a product for which Alcan is the third or fourth biggest producer in Europe.

Alcan will continue to con-

centrate each product at a spe-cific plant, sourcing on a Euro-pean basis. Specialist alumi-nium businesses and nonpean basis. Specialist aluminium businesses and nonaluminium operations—principally chemicals and manganese
alloys—could each soak up
about \$50m investment over
the next five years. Mr Rich
suggests. Meanwhile, Alcan
will seek joint deals with other
companies in which it can contribute its technology.

Mr Rich is adamant that the
European operation will keep

European operation will keep its finances relatively low geared, spending out of pro-ceeds for asset sales and profits.

"Aluminium will not become a minority interest," says Mr Rich. "But we will continue, adding businesses that clearly meet our criteria. We will shed them when they become com-modity businesses with low



Mr Pat Rich: "aluminium

Alcan also decided to get out of aluminium fabrication in Africa It sold its minority stake in a South African plant this year, having already sold its interests in the Ivory Coast and

Nigeria. the Bresse The company has been extri- medernised.

Mayne Nickless cating itself from other partner-ships. It sold its 22 per cent interest this year in Hunter Douglas, a Netherlands-based ahead 22% aluminium products group, and recently disposed of its 25 per cent share in Unidare in the MAYNE NICKLESS. the

Irish Republic, a company which has been moving away from aluminium.

installed at Goettingen, a new foil mill is scheduled for its

The shareholders, who are happy with the bonus issue, were also told by Mr Gupta that

during the current year ending this month the company had done quite well. Pre-tax and after-tax profits were likely to be as good as they were in the

During the year ended August 1985 the pre-tax profits rose by 9 per cent to Rs 150m and the

Australian security transport, computer services and freight handling group, has reported a 22 per cent increase in met-profits to A344.lm (US\$28.8m) for the year mided from 94 A question mark hangs over the medium-term future of Alcan's smelter at Ludwig-shafen in West Germany, which may be a candidate for disposal. for the year ended June 28, against A336 Im in the previous year. The increase was achieved Otherwise, Mr Rich says: "We do not see any more fundamental businesses to go. We have done all the major pruning.

Earnings at

113

Alangi

Spills.

`<sub>2</sub> \24 `

despite extraordinary losses of nearly A\$14m, axising largely from the group's loss Some observers wonder, how-ever, whether Alcan will wish of A\$10.7m on the disposal of

of A\$10.7m on the disposal of its US transport business. Mayne's directors said the company had had a success-ful year as a result of its policy to strengthen tradi-tional businesses and develop new initiatives in Australia

"We believe that this has created a solid growth path which will continue to reward shareholders with sound long-

shareholders with sound ung-term returns," they said.

The earnings performance was achieved on sales of A\$1.5bm—up 31.8 per cent from last year's A\$1.16bm— which resulted from stronger growth in the second half of ing plant in the UK. It is also building a new cold rolling mill at Norf, a plant in which Alcap has a partnership with VAW of West Germany. A new pretreatment line for sheet is being installed at Coattings a page. the year. Mayne's

Mayne's extraordinary charges consisted of a AJIm less from the liquidation of a ioss from the liquidation of a subsidiary company's insurers, losses on disposal and closure of business of \$13.8m; a \$1.1m credit from the costs awarded in a Frade Practices Commis-sion case and a \$460,000 equity share charge from

associated companies.
Directors said computer services performed well in the payroll market but other

This led to the restructure of Computer Accounting Services and the divestment of Northern Computing Services, a Newrastic-based computer business with offices in several regional centres," the directors said.

Mayne said there was some evidence of softness in the Australian economy towards the end of 1985-86. Freight volumes often a useful indientor of economic activity, were down in several key

"Overseas the company expects further gains, particularly in the US, where appro-priate adjustments have been made."



will not become a minority interest "

growth and overcapacity, or when we are not good at operat-ing them." to keep its diluted partnership deal in Spain, because of the likely clash of interests with the state-owned Inespal, should

Alcan did not stand still in

Europe in the early 1980s. It
purchased British Aluminium
in the UK, reduced its stake in
Endasa (now Inespal) in Spain
from 45 to 23 per cent and
began a series of plant rationalisations and closures.

The company then took stock of itself. Mr Rich, who first occupied his present post at European headquarters in 1982, says the decision to sell the five extrusion plants — two in France, the others in West Germany, Belgium and Italy—
was taken in 1983. It took some time to find a sultable buyer.

Intervetasin of interests with the state-owned Inespal, should Alcan begin selling more products there which have been manufactured at its other European plants.

Alcan begin selling more products there which have been manufactured at its other European plants.

Alcan begin selling more products there which have been manufactured at its other European plants.

The company has already begun an investment programme which will be worth a solid of \$125m between now and \$125m between now and \$125m between now and \$125m between this plants.

Germany, Belgium and Italy—
was taken in 1983. It took some the form the uke the plants in the uke the purchased in the provided in the products there which have been manufactured at its other European plants.

Alcan begin selling more products there which have been manufactured at its other European plants.

The company has already begun an investment programme which will be worth a specific plant in the UK. It is also building a new cold rolling mill at Norf, a plant in which Alcan begin selling more products there which have been manufactured at its other European was formed plants.

Alcan begin selling more products there which have been manufactured at its other European was formed plants.

Alcan begin selling more products there which have been manufactured at its other European was formed plants. time to find a suitable buyer.

### Chloride India to raise capital

CHLORIDE INDIA, the autome-extraordinary general meeting chant bankers or directly, but tive battery offshoot of to approve the bonus issue, so far the price offered had not Chloride UK, is expanding its they repeatedly wanted to been considered sufficient. tive battery offshoot of to approve the bonus issue. Chloride UK, is expanding its they repeatedly wanted to share capital from Rs 150m to know from the management Rs 250m (\$199m) by capitalis whether the reports had any ing reserves in the form of a substance. And if so, who the three-for-five bonus issue. The successful bidders were likely funds will be used for financing to be and how safe the company would be in their hands?
Mr Jahar Sen Gupta, the
chairman, denied that a deal
had been struck in London, but expansion and modernisation of nanufacturing facilities.

The periodic reports that Chloride UK is keen to dispose did not altogether rule out the of its 51 per cent stake in Chloride India has so worried the shareholders that at a recent UK parent board had been

NOTICE OF EARLY REDEMPTION The Saitama Bank, Limited

US\$25,000,000 Callable Negotiable Floating Rate Dollar Cenificates of Deposit Issued on 28th September, 1984 atunty Date 30th September, 1967 Callable in September, 1986

otice is hereby given in accorda ith Clause 5 of the Certificates o sposif (the "Certificates") that resuant to Clause 3 of the ertificates, The Saltame Bank miled will repay all outstanding ertificates on 30th September, 186 (the 'Repayment Date'), at eir principal amount. ment of the principal amount, where with accrued interest to the syment Date, will be made on Repayment Date against sentation and surrender of the tificates at the London Branch of Saltama Bank, Limited, 30

Bank of America

International Limited

ELDORADO NUCLEAR LIMITED Floating Rate Notes due 1989 In accordance with the provisions of the Notes, notice is hereby given that for the

period from 28 August 1986 to 27 February 1987 the Notes will carry an repriary 1307 in e Notes was carry as interest rate of 514% per annum. The interest payable on the relevant interest payment date, 27 February, 1987 will be US\$149.32 per \$5,000 Bearer Notes \$5,000 principal emount in Registered form.

28 August, 1986 The Chase Manhattan Bank N.A. LONDON, AGENT BANK



CREDIT COMMERCIAL DE FRANCE U.S.\$250,000,000 Floating Rate Notes Due 1994

> For the six months 27th August, 1986 to 27th February, 1987 the Notes will carry an interest rate of 5.9775% per annum with a coupon amount of US\$305.52 per.US\$10,000 note. The relevant interest payment date will be 27th February, 1987.

Listed on the Luxembourg Stock Exchange. Bankers 1 rus. Company, London Bankers Trust

Agent Bank

## DRAFT

offered. So far several parties after-tax profit by 24 per cent had indicated intentions to to Rs 68.8m on a total turnover

acquire the company's foreign of Rs 803m, up from the pre-holdings through London mer-vious year's Rs 750m.

This announcement appears as a matter of record only

#### FINCO C.V.

A partnership between ELDIM, a subsidiary of INDIVERS, established in The Netherlands, and Dutch financial institutions

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An equity and term loan facility to finance the participation of ELDÍM in the PRATT & WHITNEY 4000 Turbofan Engine project

Arranged by

The National Investment Bank of the Netherlands Amsterdam-Rotterdam Bank

**Participants** 

The National Investment Bank of the Netherlands MIP. Equity Sund Amsterdam-Rotterdam Bank Limburg Investment Bank

Agent bank



THE NATIONAL INVESTMENT BANK OF THE NETHERLANDS

August 1986

#### Can Europe catch up?

Dai-Ichi Europe Limited

Bankers Trust International Limited

Commerzbank

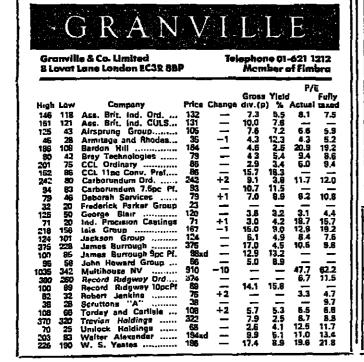
August 1986

Daiwa Europe Limited

Nomura International Limited

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LTCB International Limited

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#### Woodside Financial Services Ltd. (Incorporated in the State of Victoria)

U.S. \$300.000.000 GUARANTEED FLOATING RATE NOTES **DUE FEBRUARY 1997** 

Unconditionally Guaranteed by The Industrial Bank of Japan, Ltd.

In accordance with the Terms and Conditions of the Notes, notice is hereby given that for the interest period from August 28 to November 28, 1986 the Notes will carry an interest rate of 5%% per annum. The amount payable on November 28, 1986 will be U.S.\$375.3.47 and U.S.\$150.14 respectively for Notes in denominations of U.S.\$250,000 and U.S.\$10,000.

The Chase Manhattan Bank, N.A., London, Agent Bank August 28, 1986



AIE	D BOND	INDICE	S	
MEEKTA EI	UROBONO GUID	DE AUGUST		
	Redemption Yield	Change on Week	12 Months High	12 Months Low
JS Dellar	8.812	-1.355	10.830	118.8
ustralian Dollar	14,401	-0.511	14.630	12.670
anadian Dollar	10.417	-0.592	11.820	10.416
uroguilder	5.943	<b>-1.557</b>	6.400	5.943
uro Currency Unit	B.308	-0.753	9,524	8.164
en .	6.207	-0.624	7.250	6.207
erling	10,228	-1.408	11.932	9.751
eutschemark	6.346	-0.859	7.210	6.345
Bank J. Vonobel s	L Co Ltd, Zurich	- Telex:	812744 JVZ	

#### INTERNATIONAL COMPANIES and FINANCE

### Arab Banking acquires 10.2% stake in Naarden

Earnings a Mayne Nickless

The left to great

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to increase its public tender takeover talks were announced offer from the mooted FI 90 a on Angust 18, it has been hovershare offer to around FI 100 before. Arab Banking would the last few sessions. Several tender its shareholding. However, the bank had not yet been in contact with either Naarden or Unilever. The Anglo-Dutch foods conglo-

merate has built up a 49 per cent stake in Naarden, close to the maximum 50 per cent it is allowed to buy on the open

**Exchange** rate

NATIONALE-NEDERLANDEN

(Nat Ned) the largest Dutch

insurance group, reported first-half net profits up 5.3 per cent

at F1 274m. Profits and revenues continue to be pressured by

exchange rate fluctuations, notably the fall in the US and Australian dollars. First-half

revenues declined by 1 per cent to Fl 9.15bn (US\$2.96bn). Exchange rate movements depressed revenues by Fl 1.28bn

and net profit by Fl 19.6m, the company said.

Profits per share rose to Fl 2.52, from Fl 2.48 and the interim dividend has been increased to Fl 1.20 from Fl 1.15

per share, in cash or shares. The company is forecasting net

earnings per share for the whole year of at least last year:

ST SULLAN STATE ST

BP Capital 114 92 159 1894, 11

**fluctuations** 

hit Nat Ned

the last few sessions. Several market sources however believe that Unilever had been in the market again for Naarden's shares since it lifted its holding to 49 per cent on Monday.

Unilever said that it had not increased its Naarden share-holding since Monday. It added that discussions with Naarden competing bid is made.

tribution to operating earnings and the company said its other crivities also developed well.

Operating profits were up at Fl 36.3m in the 1985 first half.

Turnover was down at F1 1.86hn compared with F1 2.17bn last year, reflecting the lower dollar as well as

lower raw materials prices in

several product groups, the

FT INTERNATIONAL BOND SERVICE

Listed are the 200 latest international bonds for which there is an adequate secondary market.

Wessanen net profits up

12% in first six months

panies, both in the US and in the first half of 1986 by 12.8 per tribution to operating acceptance.

dea.

Wessanen repeated its earlier F1 13m on turnover up from to 12 min un grunt per share F1 442m to F1 466m.

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Core-Cole F. C. 17 90 MS 75
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CEC 3 92 DM 0 0 EEC 5% 93 Ecc 94 0.1 Lioyds Benk Perp. 94 Natikes Boks Disc 0.1 Mith Mrkos. Board 3 93 £ 0½ NatiWest Perp. 8 094 New Zealand 5 97 £ 0.0 Prudential Corpus. 495 £ 0.1 Linted Kingdom 5 9 Frp. 04 United Kingdom 5 9 Frp. 04 Woodside Financial St. 97 0 Woodside Financial St. 97 0 94

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ages on day +0.02 as week

cial Times Ltd., 1986. Reproduction in whole or in part of permitted without written comment. Data supplied by AM International.

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a year earlier.

Turnover rose modestly to Fi 744.8m from Fi 722.4m. Net

income in the latest period was favourably influenced by a near

41 per cent plunge in interest expenses to FI 9.5m, offset by a

jump in the company's tax bur-

Profits rose more sharply

Klower, another Dutch publish-

house, with net income more

than doubling from Fl 5.9m to

BY OUR AMSTERDAM CORRESPONDENT

ARAB BANKING Corporation, the Bahrain-based banking group, yesterday added a new twist to Unilever's pursuit of Naarden International by discissing that it had bought a 10.2 per cent stake in the Dutch flavours and fragrances concern over the past week and a haif.

Arab Banking said it had acquired the shares at around \$\text{F190}\$ on the open market, and added that it expected Unilever takeover talks were announced on Angust 18, it has been hover
The Amsterdam Stock Exchange, the news was greeted with some scepticism. An arbit to acquire Naarden International by discissing that it had bought a Nederland and a broker from the subsidiary, believe that Arab Banking merchant banking subsidiary, both doubted whether Unilever would raise its bid.

They pointed out that while was an issue between Unilever and Arab Banking.

Although an improved offer for the 50 per cent of Naarden that Unilever cannot buy, possibly including better labour and provided for the source of that Unilever cannot buy, possibly including better labour and provided for the source of the sourc

sibly including better labour conditions, cannot be entirely ruled out, an extraordinary shareholders' meeting on August 12 approved "shark repellent" measures to exchange common shares for nonissue preference shares with voting rights. The measures will only be invoked if the Unilever

1987, and that it might be five years before world oil demand and supply could be rought into balance.
Turnover in the first half WESSANEN, the Dutch foods for the full year will increase group, has lifted first-half net on a share capital expanded by profits by 12 per cent to 2 per cent through its May F1 28.2m (\$12.2m) from stock dividend. The company F1 25.2m a year earlier. The previous year's figure was F1 0.64 per share from F1 0.55 boosted by an extraordinary item of F1 2.2m.

The group's foodstuffs company increased net income in

field.
Mr Johnsen said that, apart from the fall in the oil price the first half of 1986 had

or mose needs possible.

In the first half, Statoil invested NKr 2.8bn, most of which was spent on developing the Gullfaks and Oseberg fields. It also bought the downstream operation of Esso in Denmark, and early in the year the Statpipe gas pipe-line started normal opera-

#### **Berliner Bank** to be further privatised

the City of West Berlin still holds a 74 per cent share, is to be further privatised through a 10-year co-operation agreement with the Gothaer insurance group of West

acquire a 17 per cent share Berliner Bank this year which will further reduce West

Under the agreement with Gothaer, Berliner Bank would offer insurance services and Gothaer would provide banking services in what Dr Dietrich Nebelung, the board spokesman of the bank, called a reaction to the "merging" of the banking and insurance sectors.

Berliner Bank's 83 branches in West Berlin, six West German subsidiaries and two wholly-owned banks will offer the main Gothaer insurance policies. The bank will also take ever the insurance company's collec-

tion and payments operations.
Dr Nebelung said that the expected areas of co-operaconstruction and investment financing, consumer loans, lensing, bearer bonds and savings certificates. The partners would also develop joint ser-vices for certain potential

Berliner Bank took its first step towards privatisation in 1984. The group had a balance sheet total of DM 26.6hn (\$13bn) up 7.3 per cent at end-1985. Operating profits rose 14.8 per cent last year to DM30m.

### Swissotel plans

The company, which ear lier this year took over a number of hotels from the Sodereal group, currently operates a total of 12 properties. These include six in Switzerland, two each in the US and Holland and one each US and Holland and one each in Belgium and Luxembourg. This autumn the chain will be extended further to include hotels in Tianjin, China, and Seoul. By late 1988, it is intended to open a Swissofel in Chicago. According to Swissair, other potentially attractive

#### Sharp fall in midway earnings

at Statoil By Lucy Kellaway in Stavanger STATOIL, the Norwegian state-owned oil compar, which yesterday reported sharply lower profits, said that it does not support the cuts in oil production being considered by the Norwegian government. Mr Arve Johnsen, president of Statoil, said sen, president of Statoil, said that the Organisation of Petroleum Exporting Coun-

to make any such cuts effective. Interim results at Statoil showed a 50 per cent drop in profit to NKr 3bn (\$410m) brought about by the collapse in oil prices. Mr Johnsen warned that profits for the second half could be still brock if all prices remained lower if oil prices remained depressed. He said that there was no prospect for any recovery in price at least until

tries (Opec) has not yet got its affairs sufficiently in order

Turnover in the first half was up by 20 per cent to NKr 23.9bn compared with the first half of last year. Oil production was much higher, despite a three-week strike by offshore workers in April. reflecting output from a third platform in the Statfjord field.

been a good period for the company. In June the contract selling gas from the giant Troll and Sleipner was signed, making developments of those fields possible.

By Leslie Colitt in Berlin

BERLINER BANK, in which

Germany.

The Gothaer group will will further reduce West Berlin's holding. Within four years, Gothaer will purchase 25.1 per cent of the bank's shares in public hands while Berliner Bank will acquire shares in the insurance group. Dr Guenter Rexrodt. West Berlin's head of finance, said that, within this period, the city did not plan to lower its holding in Berliner Bank to less than 51 per cent.

Under the agreement with

Gothaer's gross premium income last year was DM3bn and capital assets were DM 7bn, at the year-end.

### expansion

By John Wicks in Zurich By John Wicks in Zurich
SWISSOTEL.— the international hotel management
company owned jointly by
Swissair and the Nestle
Group, is to expand its chain
to 15 properties with a total
of 4,200 rooms by the end of

projects are under study.

### Y100bn of Euroyen issues launched

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

A FLURRY of new Euroyen A FLURRY of new Euroyen issues totalling Y100bn hit the Eurobond market yesterday as borrowers sought to capitalise on a secondary market made buoyant by expectations of lower interest rates and currences. rency appreciation.

Among the deals was an exceptionally large Y60bn issue for Austria which, added to a similarly sized deal for GMAC late on Tuesday night, accounted for much of the

By last ment the weight of new paper was pressing on a market whose euphoria had also abated following a warning by Mr Satoshi Sumita, president of the Bank of Japan, that his country would not follow the US in cutting leading interest

Bankers said the market was suffering from indigestion and the new Issues met a mixed reception with the 54 per cent, five-year GMAC deal particularly weak in the grey market. They said the surge in new

By last night the weight of Swiss Bank Corporation, its first foray into this market. The final issue of Y20bn for electricitie de France came to the Bank of Japan, that his SRC's issue which is led by SRC's issue which is led

SBC's issue, which is led by its London merchant banking arm, proved attractive to investors in Switzerland who liked the combination of cur-rency play in yen as well as the chance it offers to buy the

They said the sarge in new less in the surger of the warrants will be set next advantages to certain Japanese porations of pricing deals at a level where they could be swapped into other currencies. paper was trading at around 21.9 per cent and three. This is a continuous price for structure thought to offer tax Yama advantages to certain Japanese indicates the possibility of pricing deals at a level then. Since they are thought to offer tax and three. This is a continuous price for structure thought to offer tax Yama advantages to certain Japanese indicated coupon of 2 per cent and three. This is a continuous price for structure thought to offer tax Yama advantages to certain Japanese indicated coupon of 2 per cent and three. This is a continuous price for structure thought to offer tax Yama advantages to certain Japanese indicated coupon of 2 per cent and three. This is a continuous process.

This has been difficult for some 104½ compared with its issue launched a \$100m, five-year price of par.

Austria's bond was also slow to move and was being supported by lead manager Daiwa Europe at a discount equal to its full fees. It is divided into two trapphes of \$400m, five-year launched a \$100m, five-year equity warrant issue through Nomura International. This carries at a discount equal to discount price of 1011. Despite yester-day's flurry, bankers said more deals could be in the pipeline. its full fees. It is divided into two tranches of Y40bn, tenyear, 5‡ per cent at 101½ and Y20bn, 15-year, 5‡ per cent at 101½. Daiwa said the latter sector which saw no new straight tranche attracted more demand because its rare long maturity offered a yield pick-up.

Well received by contrast was a Y20bn equity warrant issue.

Demark's Provinsbanken is received by contrast was a Y20bn equity warrant issue.

raising \$100m through a five-year floating-rate note priced at par and carrying interest at the six-month London interbank offered rate. Lead manager is Shearson Lehman International.

Daiwa Europe and Mitsubishi

Trust launched a \$100m issue issue on similar terms in May for Christiania Bank of Norway, which had been bid at 994 on with an unusual structure, that Tuesday. By last night, how-is thought to have been basic ever, it was down to 983 bid. is thought to have been basically pre-placed in Japan. It is a three-year deal that carries interest at six-month Libor less interes bank's bearer participation interest at six-month Libor less issue at 1004 for It for the first year and dian metals producted in a seven-year issue carry-libor plus 3 per cent in by Commerzbank. It is a seven-year issue carry-libor plus 3 per cent in by Commerzbank. It is a seven-year issue carry-libor plus 3 per cent in by Commerzbank. years two and three. This is a Equity warrant deals for structure thought to offer tax Yamaha Motor and Asics Coradvantages to certain Japanese poration of \$100m and \$50m

2; per cent.
Swiss franc issues were little changed to slightly firmer, while P-Mark Furobonds slipped in later trading after the Bundesbank announced it would not be holding a press conference after its council meeting today. This is taken as a signal that no discount rate cut is in the offing.

The downward drift dam-pened enthusiasm for a new DM 500m, ten-year 6 per cent issue at par for Lufthansa, the airline, led by Deutsche Bank, Lufthansa launched a ten-year

nvestors. respectively were both priced as Nippon Denso, the Japanese indicated with 3} per cent cou-

#### 15 Gotabanken staff leave | Denmark selects dealers to set up money brokers

BY SARA WEBB IN STOCKHOLM

the head of its money market director of Gotabanken and the head of the bank's money marfusing to comment on the situation, analysts believe that the

Mr Hedengren and some of cement that Mr Sven Erik the other staff have already left, Ragnar, a fifth managing direc-and others have been moved on tor for the bank, is to join to different work. The announce- Gotabanken in October.

GOTABANKEN. Sweden's ment came shortly after Gotafourth largest commercial bank, banken revealed that it had has lost 15 key staff, including appointed a new president and chief executive officer in the form of Mr Sven Erik Ragnar. Olof Hedengren, vice managing Skandiviska Enskilda Banken. Sweden's leading commercial bank, announced the appointket and stockbroking department of Mr Hans Cavalli-Bjorkman as managing director of its ment, announced plans to set man as managing director of its up a money broking business head office, where he will be in with 14 other staff from the charge of data processing, finbank. While Gotabanken is re- ancial planning and the bank's bank. While Gatabanken is re- legal operations. Mr Cavallilegal operations. Mr Cavalli-Bjorkman is currently in charge bank will be seriously affected of the bank's operations in by the departure of so many southern Sweden and is already key staff. It would take some one of the bank's four managtime to replace them with bro-kers of similar experience. appointment follows the announappointment follows the announ-

## for Europaper operation

BY OUR EUROMARKETS CORRESPONDENT

DENMARK has appointed a team of five dealers to sell paper borrowings also allow Denmark under its planned 31bn Euro-commercial paper programme The programme is to be arranged by Citicorp and the other dealers will be Merrill Lynch, Morgan Guaranty, Morgan Stanley and Swiss Bank Corporation International. term capital markets.

Citicorp said yesterday that up the issue of US commercial the dealers in the programme paper. would all be electronically linked in a system intended to help maximise efficient selling of the paper. However, details of how this will work are still per cent and a utilisation fee of a per cent. It is the first such

being discussed, it said. Denmark announced in July ment its existing programme in the US domestic market and allow it to tap the Euromarket instead when rates there are

Short-term commercial paper conditions materialise before launching issues in the longer-

Samsung Electronics America, an offshoot of the Korean Samsung group, has arranged a \$50m, three-year letter of credit facility to back

of 3 per cent. It is the first such facility for the Samsung group. Security Pacific National that it planned to launch the Bank is acting as letter of programme, which will comple- credit bank and lead manager. Other lead managers are Banco di Napoli, Bank of Tokyo Trust Company, Dai-Ichi Kangyo Asia and National Bank of

**NEW ISSUE** 

This announcement appears as a matter of record only.



### The Fuji Bank, Limited

(London Branch)

U.S. \$150,000,000

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August, 1986

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#### THE KINGDOM OF DENMARK £100,000,000

Floating Rate Notes due 1998

In accordance with the provisions of the Notes and the Agent Bank Agreement between The Kingdom of Denmark and Citibank. N.A. dated November 22, 1983, notice is hereby given that the Rate of nterest has been fixed at 101% % pa and that the interest payable on the relevant Interest Payment Date, November 27, 1986, against Coupon No. 12 will be £1,268.15. August 28, 1986

By: Citibank, N.A., Landon, Fiscal Agent

Weekly net asset value

CITIBANC



Tokyo Pacific Holdings (Seaboard) N.V.

on 25th August, 1986 U.S. \$ 138.71 Listed on the Amsterdam Stock Exchange

Information: Pierson, Heldring & Pierson N.Y., Herengracht 214, 1016 BS Amsterdam.

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Tonly one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the midprice; the amount issued is in millions of currency units except for
Yen bonds where it is in billions. Chango on week.—Change over
price a week earlier.

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indicated. Coupon shown is minimum. Gathe-Date next coupon
becomes effective. Suread Margin above \$10x-month offered rate

C three-month; § above mean rate) for US dollars. C.cpn=The
current Coupon. current coupon.

owertible Souds: Denominated in dollars unless otherwise indicated. Cop. day-change on day. Cmv. date of First date for conversion into shares. Cmv. price - Nominal amount of bond pershare expressed in currency of share at conversion rate fixed at lease. Premi-Percentage premium of the current effective price of acquiring shares wa the bond over the most recent price of the

### Currencies behind £10m downturn at Blue Circle

dancy costs in the UK together with adverse currency move-ments on conversion of overseas earnings left profits of Blue Circle Industries some £10m lower at the six months'

The directors said yesterday that in the remainder of the year the cost benefits of plant modernisation should come through more strongly, though there will be further redun-dancy costs from the reductions in the work force already

Overseas, no significant changes in trading patterns were foreseen but exchange rate volatility remained an unpredictable factor.

Turnover for the first six months of 1986 improved from a restated £442.6m to £517.3m and at the trading length profits.

and at the trading level profits showed a rise of £1.6m at £41.5m

restated 552.3m to £42.8m. These were struck after taking accordingly.

Tax for the period under count of associates' contributions totalling £23.2m (£32m), lease the net balance at £33.8m, interest charges of £17.7m (compared with £37.3m. Minoritations by £2.2m to £4.2m. (£3.6m).

Pre-tax profits originally re-

which rose by £2.2m to £4.2m.
Pre-tax profits originally reported for the first half of 1985
amounted to £45m using periodend exchange rates on conver-sion of overseas earnings. However, in accordance with the practice adopted at the 1985 year-end profits of overseas and by commissioning costs of

companies are now translated into sterling at average rates the group is Britain's biggest into sterling at average rates coment manufacturer.

Pre-tax profits fell from a restated £52.3m to £42.8m. These were struck after taking ac
Tax for the period under deliveries were \$3.7 (3.9m)

Blue Circle

Available profits worked through at £32.7m (£83.7m) and from earnings of 25.4p (28.4p) the interim dividend is a sameagain 6p net per £1 share.

UK profits were affected by fit was derived in the first half redundancy costs, bad weather and by commissioning costs of See Lex

profits from the US increased mbstantially confirming the benefits of the group's strategy of directing investment to this

The directors pointed out that profits from overseas operations were again affected by adverse exchange rate movements and by less favourable economic

conditions in some areas. Exchange rates particularly affected the US and Australia where movements were not compensated by inherent inflation. Movements in these two currencies alone reduced pretax profits by £7.1m compared with the first half of 1985. A goegraphical analysis of restated profits before tax shows: UK £3.1m (£5.3m), US

£11.9m (£8m), Mexico £8m (£12.2m), Australasia £7.4m (£6.3m), Africa £4.2m (£6.1m), South America £3.5m (£5.7m) and Asia and other areas £2.6m

deliveries were 3.7 (3.9m) tonnes. Demand was exceptionally low in February and March because of very severe

The proposed price increase averaging 4 per cent which was due to come into effect on July 1, was deferred in the light of

#### Hillsdown bid for May & Hassell

By Lionel Barber Hillsdown Holdings, the evermanufacturer, yesterday announced its 15th acquisition this year, making an agreed £14.1m bid for May & Rassell, the timber merhant and building materials respected.

the timber merchant and building materials manufacturer.

Bristol-based May & Hassell made an attributable loss of £3.8m on turnover of £89.87m for the year to last March. Its recent financial position has been precarious, with borrowings of £28m resting on equity of £16m pnly.

May employs 2,000 people in some 40 building merchants yards, stretching from the Isle yards, stretching from the Isle of Skye to Plymouth. Its financial problems centre on a contract in the Falklands Islands where its subsidiary, Vic Hallam, is building prefabricated buildings for the British Army. Hillsdown, which achieved £33.4m (£18.9m) pre-tax profits on £1.1bn turnover for 1985, is due to report interim results due to report interim results

than 20,000 people.
Hillsdown is offering 50 new shares for every 101 shares in May. Based on last night's closing price for Hillsdown of 303p, up lp, the offer values May, up 31p to 142p, at 150p per share. There is a cash alternative of

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140p per share. Mr John Jackson, Hillsdown finance director, said he was confident there was more profit to be squeezed out of May's timber interests which were marginally profitable this year. He said the problems in the Hallam business had to be tackled immediately and raised the possibility of selling

Hillsdown advised by Klein-wort Benson has won the back-ing of the Atley family who along with the directors and other interests account for 46

#### Marley's strong growth after £9.7m midway

In its restructured form the group had started the second half of 1986 with a strong performance in volumes and profits
—management accounts for
July showed a pre-tax profit of 64.3m, the directors reported.

The order book was very strong and the outlook good. General Shale Products of the US, acquired in June, started the year with profits before tax for the opening six months of \$6.2m, and its second half would be consolidated. The year had seen a continua-

The year had seen a continuation of Marley's major restructuring programme towards establishing itself as a group primarily engaged in the manufacture of building materials.

It had disposed of Payless DIY for £94m cash, acquired Thermalite Holdings and General Shale, and the outstanding shares of Celotex-Marley for a total of £116m (of which £64m cash).

Well below Malley

Acquisition of Thermalite as being particularly significant in terms of Marley's strategic development. They were important profit contributors in their own right and were also expected to provide a sound base for further growth in two key markets.

In the UK Thermalite's range of aerated concrete blocks would add considerable breadth

service activities, Sterling Com-

service activities, Sterling Computer Services and Marley
Advertising, were being sold. In addition further reductions were in hand.

The directors stressed that a large part of the benefits would not be seen until the second half of this year and in 1987.

Those moves and a change in the accounting period of overseas subsidiaries made the for the full year would benefit results for the first half of as the group started to use past

compare. accounting there was a full Earnings were 2.2p (1.8p) per contribution from Thermalite share and the interim dividend of £3.7m before tax, while the is again 1.4p, with the option of £3.7m before tax, while the option overseas subsidiaries also took in a third quarter's contribution amounting to £2.58m on the change of accounting dates.

Marley the building materials with £294.96m, and trading group, yesterday reported first-profit of £15.2m against half 1986 pre-tax profits up from £15.17m. To this the UK contributed £7.43m to £9.68m. £11m (£14.2m) respectively.
The share of related com-

panies showed a loss of £1.25m (£454,000) and net interest payable was £4.29m (£7.29m).

The directors stated that the The directors stated that the period, despite an improved January, suffered from a significant drop in volume in UK operations (mainly because of the weather) until well into the early summer. Only in June did activity pick up; as a result of the group available. profits of the group, excluding new acquisitions, were again

well below plan.

Acquisition of Thermalite and General Shale were seen as being particularly significant in terms of Marley's strategic development. They were in-

Two factories at Catterick would add considerable breadth and Leighton Buzzard were to Marley's existing products. and Leignton Buzzard were being closed and two central In the US General Shale's service activities Sterling Com- manufacturing base and

results for the first half of as the group started to use past 1986, now reported, difficult to tax losses in the US during the ported, difficult to tax losses in the US during the Under merger second half.

per cent of May's share capital. The reported group figures year's accounts as an extra-May's advisers are Brown, for the first half showed turn-ordinary item. Shipley and Co. See Lex

24.8p

#### unveils £58m bid

**Williams** 

## for LMI

Williams Holdings, the minl engineering conglomerate which said on Friday it was in bid talks with London & Midland Industrials, yesterday unveiled an agreed bid worth

The main advantage of the bid to Williams is that it will give a sizable presence in North America which would justify establishing a US headquarters to co-ordinate growth in the American market.

Mr Brian McGowan, Wil-

liams' managing director, said: "Our £1m of earnings in North America coupled with the £4m from LMI will give us the muscle to set up an autonomous structure in North America a la Hanson.

"We don't believe you can run North American opera-tions from Britain. Probably two senior managers will go across to North America. We would like to get a balance in terms of earnings between Britain and the US.

Apart from benefits in the US, Williams believes LMTs consumer products and home improvements division — including Banbury Homes and Gardens and Compton Buildings — will complement its own consumer and industrial division, including its Swish curtain fittings and Rawlping

Williams has made four successful agreed takeover blds in the past nine months but failed in a contested take-over of McKechnie Brothers. LMI, on the other hand, has failed in both its recent takeover attempts — for Allied Textile Companies and Hos-kins & Horton

Were LMI to remain inde-pendent it said it would be unlikely to pay a higher divi-dend in 1986-87 than that paid the year before.

Williams expects to pay a final dividend of 9p taking the total for 1986 to 14p — a 75 per cent increase on 1985. Williams is offering 24 of

its own shares for every 67 shares of LMI. At Williams' closing price of 630p yesterday — a fall of 20p — this values the share offer at 225.7p for each LMI share. LMI's shares rose 5p to 225p. Alternatively, LMI share-holders may opt to take up to half of the payment in the form of new 51 per cent £1 cumulative redeemable preference shares on the basis of 11 new convertible shares for every two new Williams

There is also a full cash alternative worth 218.5p for

In addition, Williams is offering eight of its own shares for every 37 of LMI's 2.46m deferred shares and 70p cash for each 31 per cent LMI £1 cumulative preference

The offer has the backing of LMP's directors who own 0.78 per cent of their company's ordinary shares and 0.77 per cent of the deferred

Stanley improves A G STANLEY, HOLDINGS the FADS stores group has achieved as 11 per cent improvement in pre-tax profits for the half year to July 2

£29.53m to £31.15m, the pre-tax result for this Cheshirebased retailer of home

based retailer of nome decorating materials and related products was £103,900 higher at £1,08m.

The directors have lifted the interim dividend by 50 per cent to 1.5p. Net earnings for the per cent to 1.5p. Net earnings for the same tenders. per 5p share improved from

Terry Povey on Ron Brierley's proposed offer for OTT

## A £258m puzzle for the City

MR RON BRIERLEY'S £258m bid yesterday for Ocean Transport and Trading has set the City something of a puzzle. Does the New Zealand entre preneur really want to take OTT over, or is he primarily out to block any moves that would dilute his interest in it? In the past year Mr Brierley

has become increasingly active in London, running a \$250m investment portfolio that contains stakes in up to 40 companies. A year ago he took control of Tozer Kemsley and Mill-bourn, which is mainly a motor

distributor, injecting funds in exchange for shares.

If pursued, the offer for OTT would be his first contested bid in the London market.

The Brierley stake in OTT has been built up to almost 10 per cent since P&O sold its 13 per cent holding last month. Mr Brierley's advisers claim that he had been heading towards the launch of a full bid for OWE but that counts forced

wards the launch of a full bid for OTT but that events forced him into yesterday's sudden announcement of "an intention" move an offer.

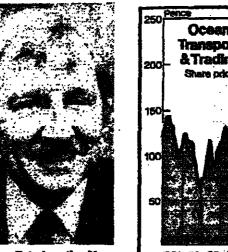
Mr Brierley says he heard at the end of last week of takeover discussions between OTT and various companies—including the possibility of it playing a white knight role on behalf of Hargreayes, the energy group facing an £80m bid from Coalite.

Coalite. "I became convinced," he adds, "that they intended to go in directions that will dilute "OTT is now a company at

the crossroads, and it seems timely that its shareholders should be offered a cash alter-native to plans that would lead



Mr Ron Brierley, the New

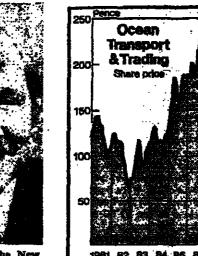


Zealand entrepreneur who is bidding for Ocean

Both companies are involved

in fuel distribution and the

business and OTT's transporta-



and earnings diluted. "We are distribution " conglomerate. not out to block OTT's plans for destructive reasons — we just don't want them to gear would sit "very neatly within and a few minor disposals, OTT would sit "very neatly within the TKM capital structure," he up again after having eliminated all debt with the cash from the OCL disposal."

Caution and careful research are the hallmarks which have helped Mr Brierley build up an Mr Brierley argues that OTT's board has not thought out its detailed strategy and he claims that its recent moves international empire that soans breweries, car sales, insurance, media, oil, pastoral, printing, "lack a discernable theme."
His strategy could be to integrate it with TKM. medis, oil, pastoral, printing, property, tourism, transportation and wine, plus a major investment portfolio with sizeable holdings in Australia, New Zealand, the UK and the US.

While still at school he made money dealing in stamps; moved quickly through house renovation, abandoned a university convention guerts as being the Brierley camp says there is a clear link between its motor tion and freight forwarding

native to plans that would lead Mr Brietley sees TKM's accounting course as being too to a lot of debt being taken on future as a "transportation and dull and by the early 1970s his

Brierley Investments Limited (BIL) was well underway.
Today the 48-year-old chess playing, cricket loving Mr Brierley owns some 5 per cent of BIL—now the largest company in New Zealand, capitalised at almost \$1.55m.

lised at almost Simum. See he has Industrial Equity, the tenth largest company in Australia capitalised at just over film. However, concern for the future of the Antipodean economies—both of which are plagued by high interest rates and vulnerable currencies—have led Mr. Brierley and many other players from Down Under to look for opportunities over-

to look for opportunities over-seas, primarily in the UK.
Through a Hong Kong port of convenience company, Lodus-trial Equity Pacific, Mr Brierley began his cotty in force 1-to the UK market in late 1984. The strategy is buy on weak-ness, looking for sound asset value that has fallen out of favour with the market for sec-

ressons.

The first majer purchase came in July 1985, when IEP provided an injection of funds for TKM giving Mr Brierley control at 250 a share compared with today's 166p. TKM then successfully bid for Kenning Motors and IEP had in a matter of months become the parent contrava of the the parent company of the UK's largest car distributor. His proposed offer for OTT is unusual for Mr Brierley in that it is pitched above net asset value - a bremium of some 16 per cent but the indica-tions in the market last night were that he was unlikely to

### Andrew Fisher on the changing direction of Ocean Transport

### Moving inland and leaving the water behind

the apple before it is ripened," said Mr Nicholas Barber, group managing director of Ocean Transport and Trading, now in the sights of another potential predator in the shape of Mr

Ron Brierley. The image of a plump, near-ripe, apple is not one that springs readily to mind in the City, when Ocean is being discussed. Its image

in the square mile is more lacklustre than glittering. But the consensus yester-day seemed to be that Ocean did not deserve to fall victim to Mr Brierley at quite such a low price as the 225p a share as his IEP (UK) has said it intends to hid in each.

closed yesterday at 235p, up 17p, IEP owns nearly 10 per The ripening that Mr Barber spoke of referred to

Ocean's strategy of moving away from the beleagured shipping sector and developing its land-based activities such as waste management, freight ferwarding, ware housing and transport.

Ocean yesterday described the IEP move as "totally without merit and completely unacceptable." The group has not long been free of the threat of a takeover from Peninsular and Oriental Steam Navigation, headed by Sir Jeffrey Stering.

That was removed spectacularly in April when P & O bought the shareholdings in Overseas Containers Lan (OCL) owned by Ocean and by British and Commonwealth Shipping to add to its

Ocean received £93m for its 23 per cent stake in OCL and loans to the company. In turn, P & O sold its 13 per cent stake in Ocean.
Ocean said at the end of last year that it did not want to be described as a shipping group. It felt that it was best regarded as a provider of industrial distribution services.
The term may lack the glamour of shipping, but the deap-sea sector has been plagued by ever-toanging among competing lines and profits have prouse clusive. By making an exit from the shipping scene — though it retains some interests — Green has sought to remove Ocean has sought to remove a highly uncertain element from its earnings.

Its latest interim results, with pre-tax profits down from £15.7m to £15m illestrate why Ocean is trying to move further inland and leave the water behind. The ship-ping interests saw a drop from £5.4m to £3.2m, while land services (warehousing, forwarding, waste management and storage) rose from \$6.6m to \$8.8m.

On the marine service side, however, which takes in offshore oil services, towage and port operations, profits eased from \$4.3m to \$3.9m. Last year, Ocean's pro-fax profits edged shead from \$30.1m to £31.9m after a 25.6m loss (25.8m profit the year before) on skip sales.
One reason that some City analysts and institutions are not ever-impressed with Ocean, though respecting its strategic intentions and conceding its assets have worthwhile earnings potential, is that its dividends have recently risen more slowly than hoped.

To stay interestent, therefore, it looks as if Ocean will haveto court the City more assiduously.

As for future strategy, IEP

As for ruture strategy, IEP yesterday claimed that Ocean was considering bidding for Hargreaves Group, an energy distribution, and waste collection company, which Hargreaves is already subject to a hostile hid from Coalite.

Mr Barber Admitted that with Ocean's businesses.

"We have taken a very keen interest in the situa-tion." He declined to indicate whether Ocean was interested in buying the company, but said, "we've met them."

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### **AAP sells Reuters stake**

group, for a total of £39m.

remaining Reuters' shares. It placed 12m shares at the Rev beginning of August, sold 515p.

The Australian Associated nearly 3m to Mr Rupert Mur-Press (AAP) yesterday sold its doch's News International remaining holding of 7.61m B Group, and completed the dis-shares in Reuters, the inter-national financial information proup for a total of 539m vestors at 513p per share.

AAP first announced its intention of selling part of its Reuters' shares in May but a legal dispute in the US between Reuters and a former employee led to a delay.

In the meantime AAP decided to dispose of most of its remaining Reuters' shares. It

Reuters' shares fell 1p to

#### **Farmer strengthens board** in reconstruction move

BY PHILIP COGGAN

con-executive director respect 1985.

SW Farmer Group, the "company doctor" said yester-roubled engineering concern, day that he was very pleased as announced the first stage of that Mr Davies and Mr Anniss ts reconstruction.

Two directors of the littleraown RCR International, Mr
loy Davies, a former Inchcape
oard member, and Mr Richard
to prepare a financial reconstruction of the group, which
restore the company."

Their immediate task will be
to prepare a financial reconstruction of the group, which
reported losses of £1,25m in

Share dealings in SW Farmer RCR, a private company with nterests in aviation, car leasing and engineering, holds a 16 per cent stake in the engineering group.

Mr John Briggs, SW Farmer's following a 15p drop the hairman and an experienced previous day.

#### COMPANY NEWS IN BRIEF

XENNEDY SMALE, property sales and investment, textile products and electrical control ear, raised turnover to £8.24m 0.5p. (£6.53m) and pre-tax profits to £8.53m) and pre-tax profits to £735,210 (£583,646) in year to March 31 1986. Earnings amounted to 10.1p (8.5p). As lorecast 2p (nil) dividend will be paid and board propose to include interim of 2p for entered year. to its margins, since order books are swelling and several major contracts have recently been current year.

> TELEVISION SOUTH rights issue has closed with acceptances for 9.74m (97.75 per cent) fully placed.

ARNOTTS pre-tax profits rose from 12593,000 to 12760,000 (£687,000 sterling) for the year ended July 19 1986 but the dividend is unchanged at 4.5p for this Dublin-based department store department store operator. Turnover was £23.2m (£22.33m). PRESS TOOLS raised turnover to £3.99m (£3.51m) and pre-tax profits to £401,000 (£338,000) in year to April 30 1986. Earnings amounted to 13.38p (10.88p). Final dividend of 2p makes net total 3p (2.65p). Scrip isue on one-for-five basis proposed.

JAMES DICKIE & Company (Drop Fargings) returned pre-(Drop Forgings) returned pre tax profits of £42,119 (£45,977)
from a turnover of £2,63m (£2.64m) in the six months to April 30 1988. Second-half turnover and profits will be affected by industrial dispute

by industrial dispute during

April and May. First-half earn-ings amounted to 1.58p (1.74p). Interim dividend is same again ALLIED COLLOIDS' annual meeting was told that profits for the first four months of the current year were well up, and

maintaining the level of profit-ability applicable during the second half of 1985-86. Exchange rates could have an adverse effect; but so far that had been relatively small, by comparison with large paners. comparison with last year's impact of the shares. The balance of impact, 223,754 shares, has beensuccess. AE, the motor compone

group contesting a £244m hid from Turner & Newall, the from Turner & Newaii, the mining and engineering business, yesterday stressed it was not looking for a "white knight" to escape Turner. No serious approaches by any biddder bad been made, Sir John Collyear, AE chairman, said.

LADBROKE INDEX 1,289-1,295 (+6) Based on FT Index Tel: 01-427-4411

## E AMEC

#### construction group 6 months ended 30.6.85 £ million £ million £million 360.7 351.9 Turnover 12.4 25.5 Profit before tax 5.7 16.0 Profit after tax

The worldwide

4.5p 4.0p 11.0p The interim dividend of 4.5p will be paid on 31 December 1986

Extract from the statement of

Telephone: (0606) 883885. Telex: 669708.

Earnings per share

Dividends per share

balances remain strong."

Mr J W H Morgan F Eng, Chairman \*Profits show a significant increase . . . earnings per share are improved . . . the group as a whole performed well . . . the order book has been maintained at a high level . . . our cash

AMEC - Areas of Operation □ Building □ Civil engineering □ Mechanical engineering [] Mining [] Mechanical and electrical services [] Project and construction management ☐ Offshore engineering ☐ Manufacturing ☐ Quality assurance ☐ Design ☐ Property development ☐ Private housing AMEC p.l.c., Sandiway House, Northwich, Cheshire, CW8 2YA

AFTER A hierup to profit by closing or disposing of profits. If cash flow is a sign of growth last time, the AMEC peripheral activities where a good contractor, then Ame profit potential did not justify is very good indeed with necession the forward recention. group of civil engineers and housebuilders moved forward again in the first half of 1986, with a pre-tax profit of £12.4m.
This compared with £9.7m in 1985 and with £11.6m in the preceding year.

The directors stated that the both in the half year, and overall order book remained at an encouragingly high level.

(£4m) the net profit was £7.9m (£5.7m) for earnings of 12.3p (8.8p) per share. The interim dividend is stepped up to 4.5p (4p) net per share. The directors said the group, originally an amalgam of the Fairclough and William Press organisations, was placing an increasing emphasis on looking

contracts where its broadly based structure enabled it to offer the range of skills and resources demanded. A number of major contracts

for opportunities to secure large

had recently been awarded in the company's traditional areas of business. Profit potential of the oil activities

Following the action taken to resolve the problems of recent years, the group was well placed to seek opportunities for the profitable development of both new and existing businesses.

Cash of 220m which at can use to buy up land for its property development and house-building activities. Loss elimination accounted for Amec's ability to squeeze greater profits out of a reduced turnover; the prospects are good if it can hang on the interesting to the property.

Amec has energy-related won. Pre-tax profits of £38m interests but the oil sector's for the full year look achiev-problems falled to prevent a 28 per cent rise in the construction company's first half pre-tax profits of £38m for the full year look achievable which puts the shares at 284p, up 14p, on a prospective tion company's first half pre-tax

DIVIDEI	<b>YDS</b>	ANNO	UNC	ED	
		Date	Corre-	Total	Total
G	urrent	0f 5	ponding	g for	last
. pay	ment j	payment	div.	year	<b>Year</b>
Ameeint	4.5	Dec 31	4_	_	11
Arnottsint	4.5	_	4.5		11
Blue Circle ,int	6	Oct 20	6	_	21
James Dickieint	0.5	_	0.5	_	1.25
Frost Groupint	2.5	_	2		4.5
Kennedy Smale	2	Mar 23	اتم	2	nil
Marleyint	11.4	Oct 9	1.4	_	3.75
Murray Income	3.6	· –	3.3	5.4	5
Murray Incomeint	2	_	1.8	11	5.4
Palma Groupint	0.83	<b>Oct</b>	0.75	_	2
Parambeint	0.45	_	0.45	_	1.25
Pearl Assurint	17.5		<b>15.2</b> 5	_	<del>44</del>
Pres Entertainint	0.75	Nov 28	0.67	_	2
Slough Estatesint	2.5		2.2		5.5
	-		3 22	•	0.45

## AMEC improves to £12.4m

group as a whole performed well businesses. comment Turnover in the period came through at £352m, compared with £360.7m. After tax £4.5m

#### **UK COMPANY NEWS**

### Sedgwick profit up 19% to £93m half-time

IT HAS been expansion on all fronts for Britain's largest insurance brokers, the Sedgwick markets, particularly in the group recorded a 19 per cent rise in pre-tax profits at the interim stage from £78.1m to £92.6m. It is further expanding its operations in the US, with a £207m (\$307m) acquisition of the Crump Companies Inc, the eighth largest insurance broker in the US; a move which, together with a smaller acquisition of the crump of the crump continued the trend set by its states. The other acquisition, are smaller acquisition of the crump of the capacity in certain insurance in the capacity in the dealers of \$88m in 1985, with earnings, restated to reflect sergings. Of \$11.8m. Since 1981, revenues have shown a 32 per cent compound growth each year and earnings a 60 per cent compound annual growth. The group's major strength is in the excess and surplus age firm acquired last year, continued the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set by its states. The other acquisition, armited the trend set insurance brokers, the Sedgwick Group.

The group recorded a 19 per cent rise in pre-tax profits at the interim stage from £78.1m to £92.6m. It is further expanding its operations in the US, with a £207m (\$307m) acquisition of the Crump Companies Inc, the eighth largest insurance broker in the US; a wove which, together with a smaller acquisition of the Armistead Group, will make Sedgwick the fourth largest broker in the US.

Shareholders are being asked to put up £186m towards the cost of the Crump acquisition through a one-for-six rights issue at 315p. But they have the sweetener of an interim dividend rise from 3.25p to 4p and the forecast of a final of 8p against 7.75p; this makes a 9 per cent rise on the year from 1.1p to 12p.

The group recorded a 19 per cent rise on the year (\$300.1m. Operations of the James Group, the US broker-age firm acquired last year, continued the trend set by its excellent first quarter results, with brokerage income up 70 per cent in dollar terms. Excluding exchange rate movements, pre-tax profits would have shown a further flam improvement.

The group recorded a 19 per cent from £269.9m to £300.1m. Operations of the James Group, the US broker-age firm acquired last year, continued the trend set by its excellent first quarter results, with brokerage income up 70 per cent in dollar terms. Excluding exchange rate movements, pre-tax profits would have shown a further flam improvement.

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The group recorded a 19 per cent in dollar terms. Excluding exchange rate movements, pre-tax profits would have shown a further flam improvement. The group's insurance company operations showed a profit result of the flam improvement in the US.

from 11p to 12p.

from 11p to 12p.

The group reports that satisfactory progress was made during the first six months of this year, the progress reported in the first quarter being continued during the second.

Brokerage income of the group and 30.5 per cent from the US and 3.3 per cent from the US and 3.3 per cent from the group over the six months benefited from the substantial premium rate increases made in the major insurance markets. fited from the substantial pre-from the substantial pre-mium rate increases made in pansion programme to be a 61 per cent of the the major insurance markets. dominant force in the US insur-However, this beneficial effect ance broking field. Crump had Rothschild & Sons.

Tennessee, will reinforce the group's skills in the energy insurance field.

Proceeds of the rights—
£186m—are earmarked for the

The group's insurance company operations showed a profit of some £2m, against last year's substantial losses

Tax charge was slightly higher at 57 per cent (36 per cent) resulting in earnings 15 per cent higher at £57.5m (£49.9m), or 15.8p (13.7p) per share.

\$188m—are earmarked for the acquisition costs of Crump, the balance of £21m coming from existing sources.

The \$82.5m cost of acquiring Armistead was financed \$25.5m in cash and \$7m in debt, all from the group's own internal resources and existing borrow. ing facilities.

Transamerica Group, which acquired 39 per cent of the equity of Sedgwick (29 per cent of the voting shares) as a result of the James acquisition, intends to fully take up its rights in order to maintain its equity position. The remaining 61 per cent of the rights has a underwritten by N. M.

allocated in the issue who keep them for three years. There will be two levels of minimum investment, £200 for priority applicants and £400 for the general public.

Payment for the shares will

be in two broadly equal instal-ments, the first on application

and the second on September 8

### Meggitt close to taking Bestobell with 49.5% acceptances

Holdings, specialist engineer, revealed yesterday that it was close to success in its £85m takeover bid for Bestobell, another engineering group, with acceptances from the owners of 49.51 percent of Bestobell's shares, If Meggitt does succeed in winning Bestobell this would be

the first time that a contested bid in the engineering sector had succeeded since the failure earlier this year of Siebe's £220m bid for APV Holdings

offer, was intended to persuade wavering shareholders that success was within the bidder's grasp. Meggitt said its cash alternative would not be extended beyond Friday.

**Broad St.** 

sees sharp

profit rise

Broad Street Group, the financial public relations and

advertising company which this week made a reverse takeover of Stanelco, the US-quoted heating equipment group, yesterday carried out a placing of 2.34m shares to value the company at 50.8m

Broad Street-formerly known

as Broad Street Associates—forecast a sharp rise in pre-tax profits to £850,000 in the vear ending October 1986 from £242,000, on operating income

which is expected to rise to £2.89m, against £1.28m.

Total turnover, which includes

advertising billings which are passed on to the advertising agencies, will rise from £4.08m

Broad Street was set up in

1977 by Mr Brian Basham and Mr Michael Preston, respec-

70 employees handling

tively its managing and finance directors. It has since expanded

accounts for a total of 83 clients.

over battles — including Argyll Group's abortive bid for Distil-lers and Guinness in its success-

ful bid for Bells, the distillers.

Broad Street has made its

By Charles Batchelor

pany at £9.8m.

to £7.67m.

Meggitt started the bidding in mid-July with a strong hand in the shape of the backing of Sir Owen Green's industrial holding company, BTR, which held a 29 short-term per cent stake in Bestobell, had been in The Meggitt share offer has of decline.

been accepted by the holders of 43.95 per cent of Bestobell's shares while the cash alter-native has been taken up by a further 5.58 per cent further 5.56 per cent.

Meggitt is offering four of its

own shares for every Bestobell share while there is a cash alternative worth 500p per share. Meggitt's shares rose 2p to 132p yesterday to value the share offer at 528p for each Bestobell share. Bestobell's shares rose 4p to 514p.

Bestobell has forecast a near

and of Evered's £160m offer for McKechnie Brothers.

The Meggitt statement, released two days before Friday's second closing date on the offer, was intended to persuade

Bestooeli has forecast a near doubling of its profits and promised a 150 per cent dividend increase as part of its defence. Pre-tax profits would go up 93 per cent to not less offer, was intended to persuade It also pointed to its reshaped board of directors, headed by Mr David Ingman, and to the

restructuring of its businesses on a geographical basis. Meggitt in turn accused Bestobell of repeating many of the arguments it had used in its defence in 1979 and said a short-term uplift in profits then had been followed by a period

New Issue

on-going operation of a world class Drug and Chemical Safety Evaluation Centre in Melbourne.
The Victorian Government is committed to promoting and accelerating

the commercial development of the State's strong scientific and technological research base and, in particular, to build on our considerable strength on biotechnological research. The Government has launched a major technology programme to foster this development.

Expressions of interest are invited from commercial parties with the capacity

to participate in the establishment and

As part of this technology programme. the Government has taken the decision to establish a world class facility capable of providing a range of safety evaluation and toxicology testing services throughout Australia, South East Asia and the Pacific Basin. The Government is prepared to contribute equity capital up to AUD 6 million to assist in the establishment of the Centre if a viable proposal can be demonstrated.

The existence of the Centre will complement major initiatives in the areas of medical, plant, animal and food technology:

#### KEY REQUIREMENTS FOR PARTICIPATION

The capacity to provide or access

• The capacity to provide or access the range of scientific and commercial skills necessary to establish and operate an international standard facility.

Preserence will be given to parties able to demonstrate the capacity to undertake significant research and development activity in the areas of IN-VITRO TECHNOLOGY and IMMUNOTOXICOLOGY

#### FURTHER INFORMATION

A specification for Expression of Interest may be obtained from: Mr. K. A. Finnin, Agent General for Victoria, Victoria House, Melbourne Place, Strand, London WC2B 4LG. UNITED KINGDOM. Tel: 836 2656, Telex: 21813 YARRA G. Fax: (44-1) 240 6025.

Expressions of Interest must reach the Minister for Industry, Technology and Resources, 228 Victoria Parade, East Melbourne, 3002, Australia, no later than 30th September 1986. The Government will then make available to selected parties existing material on viability of the Centre to assist those parties in the preparation of a detailed plan to establish and operate the centre.

GOVERNMENT OF VICTORIA, AUSTRALIA

**Establishment of** 

International Drug and Chemical Safety Evaluation Centre

Call for Expressions of Interest.

### TSB forecasts profits of £193m

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TSB GROUP yesterday forecast 1986 pre-tax profits of £193m, close to City expectations of about £185m and 14 per cent up on the 1985 figure of £1693m. The group earned £96m before tax in the six months to May 21 1986, it said yesterday in the nathfinder prospectus for this pathfinder prospectus for this autumn's long-awaited stock

autumn's long-awaited stock market flotation.

Since May 21, trading by TSB has continued to be satisfactory, according to yesterday's document, issued by Lazard Brothers, the group's merchant bank advisers. Group assets in May were £13.2bn, a 7 per cent increase on the November 1985 figure of £12.3bn. Profits after tax in the first half of 1986 were £60m.

Provisions against bad and

Provisions against bad and doubtful debts were £29m in the six months, compared with £49m in the year ending November 20

Mr Derek Stevens, TSB group finance director, said bad debt experience had been improving, experience had occu authornes, reflecting a policy of seeking quality business. The group also had only minimal exposure to international debt problems, and much of its UK loan book was concentrated on low-risk mortgage lending. TSB's UK personal lending totalled 53.2bn in 1985, of which £1.5bn was for

house purchase.
TSB group is now poised to step up a heavy marketing and advertising campaign in advance of its share issue. Between now and September 12, the "Impact

with enquiries and distribute special mini - prospectuses (which will also be available from TSB and Lloyds Bank branches, stockbrokers to the offer, and other financial

advisers). The offer has been structured to give priority to applications from TSB customers who have

held accounts since December 17 1984, provided they register their priority by September 5. Up to half the shares will be reserved for priority applica-

Tuesday September 16: Prospectus published in nation

Monday September 29: Allocations policy expected to be any Tuesday October 7: Acceptance letters expected to be posted.

## TSB group, formed from a union between the four UK trustee savings banks, has 7m personal banking customers holding more than 13m accounts.

and collection centres.

tion forms at receiving banks.

#### TSB FLOTATION TIMETABLE

receipt of application forms at TSB branches Wednesday September 24: 10 am-final deadline for receipt of applica

The company pointed out yesterday, however, that "special assignments," as opposed to regular contracts with long-term clients, had at their peak — in 1981 sday October 8: Dealings expected to start. amounted to only 14 per cent of total turnover. They are

expected to account for about 10 per cent this year. "We are seen as firefighters," said Mr Alan Parker, a director. That perception is skewed."
Broad Street believes there will be continued demand for PR and advertising services even if bid activity tails off and the stock market declines. The need for sophisticated market-ing and investor relations skills will be even greater after "Big Bang," when the Stock Exchange drops fixed commis-sions in October.

Broad Street had been plan-

Broad Street had been plan-ning to seek a market flotation in about nine months' time but in about nine months time but Stanelco—described by Broad Street as "a clean shell with £1m in cash in the books"— was suggested to the company as a vehicle to a quote by a friendly accountant.

friendly accountant.

All previous growth at Broad Street had been funded internally but the USM quotation would allow it to make acquisitions with shares.

Williams de Broe Hill Chaplin, stockbrokers, yesterday arranged the placing of 2.34m shares—10 per cent of the equity—of 10p each at 43p. Broad Street is forecasting a 1.1p dividend for the year ending October.

On forecast profits of £850,000 the earnings per share, assuming a notional 35 per cent tax charge, would be 2.42p for a p/e of 17.7. Adjusting earnings for the film raised by Stanelco in June, earnings would be 2.6p per share, a p/e of 16.5.

Sunleigh deal gives FKI a bigger stake
Sunleigh Electronics has conditionally agreed to acquire from
FKI Electricals the share
capital of EMI-MEC, a designer
and manufacturer of computer
controlled automatic lathes.
Consideration will be satisfield by the issue of 4.5m Sunleigh shares which, based on
average share prices, values
EMI-MEC at £1.82m.
Currently, FKI holds a stake
in Sunleigh amounting to 15.3
per cent. Subject to completion
of the EMI-MEC acquisition
FKI's interest in Sunleigh will
rise to 26.52 per cent. FKI a bigger stake

rise to 26.52 per cent.
In view of FKI's material interest in Sunleigh, the proposed transaction is conditional upon Sunleigh shareholders' approval. At March 1986 EMI-MEC had net assets of £1.27m. In the 1985-86 year the company incurred a loss of £246,000

after tax and extraordinary items. Turnover totalled £4.78m.



### MORI SEIKI CO., LTD.

U.S. \$60,000,000

27/8 per cent, Guaranteed Notes due 1991

Warrants

to subscribe for shares of common stock of Mori Seiki Co., Ltd. The Notes will be unconditionally and irrevocably guaranteed by

The Sanwa Bank, Limited

Issue Price 100 per cent.

Yamaichi International (Europe) Limited

Daiwa Europe Limited

Bank of Tokyo International Limited

Banque Paribas Capital Markets Limited

Daiwa Bank (Capital Management) Limited

Samuel Montagu & Co. Limited

Salomon Brothers International Limited

Sumitomo Finance International

ANZ Merchant Bank Limited Bank J. Vontobel & Co. AG

Manufacturers Hanover Limited

Credit Suisse First Boston Limited

The Nikko Securities Co., (Europe) Ltd.

Sanwa International Limited

Wako International (Europe) Ltd.

Westdeutsche Landesbank Girozentrale

We are pleased to announce with effect from 1st September 1986 our new address is 4 Clifton Street London EC2A 4BT

### **DELTEC SECURITIES**

(UK) LIMITED

**4 CLIFTON STREET** LONDON EC2A 4BT

TELEPHONE: 01-377 5005 TELEX: 883306 FACSIMILE: 01-377 9559

Canadian Imperial Bank of Commerce (A Canadian Chartered Bank)

U.S. \$150,000,000 Floating Rate Deposit Notes Due 1996

hereby given, that for the Interest Period from May 30, 1986 to August 29, 1986, the rate for the final Interest Sub-period from August 28, 1986 to August 29, 1986, has been determined at 51416% per annum, and therefore the amount of interest payable against Coupon No. 8, or per US\$10,000 nominal in registered form, on the relevant interest payment date August 29, 1986, will be US\$168.96.

The Chase Manhattan Bank, N.A., London, Agent Bank August 28, 1986



CHASE

## International Appointments

### BANK AUDITING

### OPPORTUNITIES IN THE MIDDLE EAST

Ernst & Whinney is the major international accounting firm in the Middle East with clients that include most of the major banks in the region.

If you have a sense of adventure and want to broaden your

banking experience outside the confines of the City, then we can offer the opportunity to gain experience and audit responsibility quickly. We are looking to expand our audit teams in the Middle East with ambitious audit managers with first rate technical skills and a thorough knowledge of the banking industry. You will manage a

challenging and varied portfolio of international and local clients and will be responsible for providing a comprehensive financial

service that will include audit and accounting, tax planning and advice and other consultancy services. You will enjoy a good standard of living and, as salaries are at present tax-free, the opportunity for substantial savings. So if you enjoy challenge, have initiative and can handle responsibility, send a full CV to Rosemary Chambers, Ernst & Whinney, Becket



### Weir maintains profit upturn

pected the group to continue notice of redemption. That left to build on the solid progress 25,000 shares which were made over the last three years redeemed.

oil revenues had also caused valuations, giving a saving of further financial problems for some customers, and a conse-were surpluses. It had agreed quent deterioration in business to enhance certain benefits for conditions in the Middle East members. which was affecting both the group's current contract activity there and future prospects.
In the first half of 1986 turn-

there and future prospects.

In the first half of 1986 turnover rose from £67.57m to £75m
but trading profit fell from
but trading profit fell from
£5.22m to £4.82m, with the
associates' contribution down
to £1.22m (£1.78m)—the investment in Worthington-Simpson
was sold at the end of 1985.
Interest charges showed a substantial reduction to £665,000

£1.24m)

Although these figures were
slightly below market estimates,
they did not seem to lustify the
battering Weir's shares took
yesterday, plunging 7p to 109p.
Pension holidays may represent
the icing on the cake, but an
extra £1.25m on pre-tax profits
is not entirely unpalatable. A
£12m for the full year now looks
£12m for the full year now looks
£2 they did not seem to lustify the
battering Weir's shares took
yesterday, plunging 7p to 109p.
Extra £1.25m on pre-tax profits
is not entirely unpalatable. A
£12m for the full year now looks

(£1.44m).

During the period the group acquired Tooling Products for taken below the line. The first faxen below the line. The first taken below the line. The first taken below the line. The first taken below the line. The first faxen below the line. The first faxen below the line. The first faxen below the line. The first taken below the line. The first faxen below the line from the disposal of Worthing tool-Simpson was balanced out by the interest savings caused No figures were included for Yarrow in respect of the period

rrom profit made on the sale of rather sluggish growth in profit made on the sale of rather sluggish growth in profit reflects slack demand in Ecarings per share for the period rose to 4.9p (4p) basic Despite the failure of the and to 4.7p (3.7p) fully diluted. Yarrow bid, Weir may yet be considered disproportionately low in the sale of rather sluggish growth in profit reflects slack demand in the sale of the sale of rather sluggish growth in profit reflects slack demand in the sale of the sale of the sale of rather sluggish growth in profit reflects slack demand in the sale of the sale when it was an associate or from profit made on the sale of Weir's shareholding. Eearings per share for the considered disproportionately low in relation to the final, the current payment is lifted to 1p (0.75p) net.

quieter six months of its year. The lack of North American

man, said vesterday that the restaurants in Orlando, in the

FIRST-HALF 1986 pre-tax profits of the Weir Group, of engineers, showed a rise from £3.79m to £4.16m.

Cost of that payment rose substantially from £211,000 to £499,000, reflecting the increase and the conversion of the E3.79m to £4.16m.

However, the directors said that as yet there was no sign of the turn in general business activity that had been predicted to result from the sharp drop in oil prices. But they still expressed to the substitute of response to the substitute of the conversion of the redeemable preference shares into ordinary. At the end of May holders of 2.15m preference shares into ordinary. At the end of the turn in general business and the conversion of the redeemable preference shares into ordinary. At the end of May holders of 2.15m preference shares into ordinary. At the end of the turn in general business are substituted to result from the share drop in oil prices. But they still ex-

made over the last times your.

—in which period pre-tax The group is to take a profits have recovered from tribution holiday" from its pension schemes from last pension sche £5m to £9m. pension schemes from last
The directors said that lower month until the next actuarial

by the interest savings caused by the sale consideration. Leav-

tempted to buy more growth but that will need a rating improvement from the dis-tinctly ungenerous prospective

Although these figures were

Within the industrial branch profits rose to £4.9m (£4.2m), reflecting an increase in the average premium per policy and more modest growth in new annual pre-

the more element winter weather,
In the reinsurance account

the trading loss was reduced to £870,000 (£3.25m). Pearl expects that the marine, transport and aviation account will produce similar results to

President Entertainments, the theme restaurant group which switched from the USM to a full listing in May, raised its profits before tax by 35 per cent in the first half of 1985 to £570,591, the traditionally guieter six months of its year. according to Mr Holland. The board proposes to pay an interim dividend of 17.5p It was the intention of the per ordinary share, compared

The lack of North American the next few months in the next few months in the year affected the theatre direction. Currently the group remained on target for its extense for the year. restaurants division but other sectors of the group performed extremely well.

Mr Robert Earl, the chair-The first six months saw turnover increase by 60 per cent to £5.02m (£3.14m) and profits at the pre-tax level advance to ful and that he was quietly con- £570,591 (£422,556).

fident that the trend in the US Earnings after tax £146,236 would continue. (£149,776) came through at Despite indications that 2.65p (£1.94p) and in view of North Americans were starting the results and a measure of to return to Europe, the directors' confidence in the tors' strategy was to build a future, the interim dividend is broader-based restaurant group. Mr Earl pointed out that the net per 50p share.

#### **BOARD MEETINGS** Biomechanics International ... Sept 24

**President Entertainments** 

surges 35% to £571,000

_Т	no following o	companies have notified
dat	s of board	moorings to the Stock
Exc	aanga. Such	h meetings are usually
		urpose of considering
		cial indications are no
ave	ilobia es to	whether the dividend:
876	interims or	finals and the oub
		n below are basse
ma:	niy on last	ygar's timetable.
		TODAY

Interims: Alido, Arneliffe, T. F. and J. H. Brume, Britannia Arrow, British Patroleum, L. M. Ericsson, Foderator Housing, Ladbroke, Loc Refrigeration Pacific Assets Trust, Fentlend Industries, Refuge, United States Debenture Wingate Property Investment, Finals: Albany Investment, Trust Smith St Aubyn.

**FUTURE DATES** 

Anglo American Gold Invest. Sept 4 Owon and Robinson Sept 4 than en Beettle (James) Sept 2 Sigmox International Sept 10 formance.

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k	Booker	Sapt 9
lv	British Aerospace	Sept 10
١ġ	Church	Sept 1
	O-11: 74851'	
۵t	Collina (William)	Sept 4
is .	Gibbs and Dandy	Sept 5
<b>b-</b>	Hartons	Sept 10
3d	Inchcape	Sept 29
	Jones (A.)	Sept 1
	London United Investments	Sept 10
br	Lowe Howard-Spink and Bell	Sapt 9
	MacLellan (P. and W.)	Sept 4
sh	Oilfield Inspection Services	Sept 5
od	Quick (H. and J.)	
n.		Sept 3
	Southampton, Isle of Wight	
	and South of England Royal	
٥,	Mail Steam Packet	Sept 12
	Termac	Soot 22
J.	Thomson Organisation	
-	Finals—	Aug 29
	Flogsa	Sept 1
	Haynes Publishing	Sept 11
A	Owen and Robinson	Sees 4

#### Pearl profit doubled to £9.4m

By Alice Rawsthorn

Pearl Assurance announced yesterday that it had more than doubled net profits to 19.4m in the first half of 1986, compared to £4.16m in the same period last year, because of a reduction in losses in its general insurance

"Our problems last year restricted to certain aspects of reinsurance," said Mr Emion Holland, Pearl's chairman. "As you would expect man. "As you would expect we have taken action to redress those problems. The performance of the general insurance division was much improved, but we will not be content until it makes a positive contribution to profits."

In the life division net profits rose by more than 17 per cent to £10.65m (£9.07m). Within the ordinary branch, where profits increased to £5.5m (£4.55m) new annual promisions new hy 6 per cent premiums rose by 6 per cent and new single premiums by 124 per cent. The company attributes the rapid rise in single premium business to growth in its unit linked assurance activities.

Last year Pearl suffered adly in its reinsurance activities, producing a trading loss for the general branch of £6.02m in the first half of the year. The company has since year. The company has since reduced its exposure to reinsurance and losses have fallen accordingly, to £2.81m. The underwriting loss was reduced to £9.69m against £15.12m. In the property sector underwriting losses fell to £4.68m (£5.73m) reflecting the more element winter

those last year.

The two unit linked subsidiarles are both faring well.

comment

With last year's interim results Pearl surprised the City for, perhaps, the first time in its staid but solid history. This set of results suggests that Pearl's business market trends in almost every area of activity. The City rewarded this return to form by leaving the share price unchanged at £14.75. The growth in life business is respectable, if far from sparkling. Although the benefits of the Alliance & Leicester Building Society liaison are only just beginning to filter through and should make an impact from 198u onwards. But the much reduced general division is on course for a far smaller loss next year and profits thereafter. The combination of recent rate in-creases and the traditional strength of the second half should boost profits to £25m. producing a prospective p/e of 21.5, for the full year. Although the progress of the share price will depend as much on whether a much-rumoured bid from the Trustee Savings Bank materialises, after the flotation,

than on Pearl's profit per-

Clive Wolman highlights the threats facing the investment trust sector

## Giants endangered by the Big Bang

Lord Keith of Castleacre, has employed a variety of devices to ward off its demise in the face of mounting criticism of its poor investment performing the control of the c ance over the last five years.

In the end, the bid from Mr
Robert Maxwell's British Printing & Communication Corporation, was accepted by the directors only because the alternative, urged by a disgruntled majority of its shareholders, was even less attractive to them.

Four aspects of the takeover indicate the developments that sell off the underlying assets at the developments that sell off the underlying assets at the developments and sell off the underlying assets at the developments and sell off the underlying assets at the developments and sell off the underlying assets at the developments and sell off the underlying assets at the sell of the underlying asset ance over the last five years.
In the end, the bid from Mr

The proposal that won the support of most shareholders, sector until the discounts disbefore Mr Maxwell appeared, appear.

Some of the factors that have institutional ins was that the trust's traditional Some of the factors that have managers be sacked and the deterred the institutional inassets managed in a purely vestors will remain after the

for its size only four years ago barely raised an eyebrow in this era of mega-bids.

• As soon as Mr Maxwell's bid was announced, he was approached by several foreign-wined securities houses that have been building up a presence in London, including Japan's Nomura Securities and Merrill Lynch of the US, with most direct consequence is that

LAST WEEK'S agreed bid for offers to buy the entire £330m the £330m Philip Hill Investment Trust, which will be the largest trust ever to be liquisely selves.

largest trust ever to be liquidated, highlights the threats confronting the giants of the £20hn sector as the upheaval in the UK's securities markets approaches.

The Philip Hill board, led by Lord Keith of Castleacre, has Lord Keith of Castleacre, has

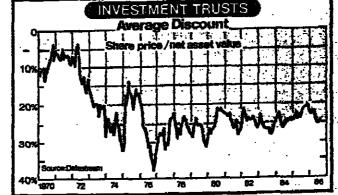
institutions have been reluctant

Four aspects of the takeover cheapy, liquidate the trust and indicate the developments that are likely to accelerate the shake-up of the trust sector:

Philip Hill's leading institutional shareholders, including insurance companies such as Eagle Star Insurance that have traditionally been reluctant to take aggressive action in the sestment trusts have excaped traditionally been reluctant to take aggressive action in the sector, banded together to impose radical change on the board.

Sector in the face of their US closed-end fund counterparts, as their board. The proposal that won the certed effort to shrink the support of most shareholders, sector until the discounts dis-

assets managed in a purely vestors will remain after the passive way so as to match a UK stock market index.

Of the Stock Exchange in of the Stock Exchange in October. In particular, insursured that the stock of 


not only provide a tempting alternative strategy for trusts that fail to beat the index but

also add to the possibilities for pre-selling or hedging portfolios that are ripe for liquidation.

have experience of liquidating closed-end funds. "The Ameri-cans can deploy large amounts

money very quickly," he

The first vehicle of this sort, set up two years ago when an-

**Meadow Farm suspended** 

than action.

the costs of buying sufficient aged index-matching funds will trust shares to win majority control and then liquidating the portfolio will be cut.

Stamp duty is to be halved, other dealing charges will be squeezed and the greater number of market-makers in the larger trust shares will enhance liquidity and facilitate the accumulation of a hostile stake. More important, a predator

More important, a predator should find it easier, before making a bid, to pre-sell the target trust's entire portfolio of securities. The buyer, as suggested by the Philip Hill case, will usually be a large securities house or financial conglemerate which is backed by the state on the sufficient capital to take on the risk of holding a portfolio of £100m or more until it has redistributed the securities amongst its network of clients.

The rapid increase in Says. liquidity in the financial futures One and traded options markets, in particular in the contracts on would be for a US firm to buy the FTSE-100 stock market majority control of an investindex, will multiply the possibilities for hedging and laying off some of the risks of prebuying an investment trust particular in the constructive campbalism, would be for a US firm to buy majority control of an investment trust, but keep its stock market listing and use it to take over and liquidate of the folious control of the constructive campbalism, would be for a US firm to buy majority control of an investment trust particular in the contracts on would be for a US firm to buy majority control of an investment trust particular in the constructive campbalism, would be for a US firm to buy majority control of an investment trust particular in the contracts on would be for a US firm to buy majority control of an investment trust, but keep its stock market listing and use it to take of the constructive campbalism, would be for a US firm to buy majority control of an investment trust, but keep its stock market listing and use it to take of the constructive campbalism, would be for a US firm to buy majority control of an investment trust particular in the constructive campbalism, would be for a US firm to buy majority control of an investment trust particular in the contract of the constructive campbalism, would be for a US firm to buy majority control of an investment trust particular in the constructive campbalism, would be for a US firm to buy majority control of an investment trust particular in the control of an investment trust

other trust run by Philip Hill Management, 1928, was taken over has in face failed to make any aggressive bids. But a more recent cannibal, the Ensign Trust, controlled by the Mer-chant Navy Officers' Pension Fund, is currently bidding 186m for the Berry Trust, which is managed by GT Management.

The influx of Americans points to another change, the break-down of the traditional relationships between City institutions which have inhibited one from launching a hostile bid to take over a trust managed by another. Most trust managers belong to a closely-knit network of City merchant banks or Edin-burgh investment houses.

These inhibitions were highlighted recordly when Harvard Securities a firm which has fra-quently clashed with the City establishment over its aggressive share-selling tectics. made a bid for City and Foreign Investment, a trust managed by MIM. the former subsidiary of merchant bank Samuel Montagu, and its powerful chairman, the Partid Stepping. Mr David Stevens.
The institutional investors re-

The large US securities houses that are building up their London operations and are anxious to break into UK caporate finance are the most likely to take a lead in financing investment trust take overs, although so far their record has been characterised more by talk jected the bid even though the cash offer was well above the past, and anticipated future, Cirv and Foreign share price. Mr Charles Mitchell, an investment analyst at stock-brokers Phillips and Drew, points out that many US houses

But the greater competitive-ness and standards of disclosure after Big Bang will probably compel investment managers to seek out the best deal for their clients even if they usset long-established relationships. According to Mr. Garth Mine, of stockbrokers Laing

and Cruickshank, who have initiated several of the more initiated several of the more imaginative changes in the sector in recent years: "Trusts have not followed other industries, in which the good took over the bad long ago. They are the most establishment-oriented sector. But on October

### Property demand boosts Slough

Sir Nigel Mobbs, chairman, said the uplift in demand had the uplift in demand had the or resulted in real rental from the results "will benefit from these trends during the remainder of 1986 and there-

After six months tax of £6.7m (25.3m) earnings per share are shown as 6.61p, against 5.8p. Sir Nigel said the first half remainder of 1986 and thereifter."

The interim dividend is increased by 13.6 per cent from 2.2p to 2.5p—last year's final ayment was 3.3p from pre-tay profits of \$22.50.

Palma Group continued its increase earnings and reduce reduction for the year as a recovery in the first half of gearing.

1986, and yesterday announced Earnings for the six months

The tax charge was £33,000

Palma continues recovery

A MUCH improved demand for property had helped bring an increase in Slough Estates' first half 1986 profits from £19.9m from trading properties falling to £24.15m pre-tax, the directors from £8.5m to £1.54m. leasing activity had been par-

ticularly strong.

Taxable profits for the interim period were increased by £1.07m (£133,000) after directors reviewed the accounting policy relating to the capiand the UK, and 932,000 sq ft overlayment was 3.3p from pre-tax renits of £39.52m.

Turnover of this industrial and commercial property developer,

Turnover of this industrial and commercial property developer.

Turnover of this industrial and commercial

wholesale butchers, were suspended at the company's request yesterday amid market speculation that an offer is about to be made for the group.

This week Meadow Farm's shares have risen sharply. At the suspension price of 270p yesterday, the company is valued at around £12.2m.

SHARES in Meadow Farm was outbid by another acquisiProduce, the USM-quoted tive food manufacturer and wholesale butchers, were suspended at the company's request its attempt to buy North Devon yesterday amid market speculation that an offer is about to be made for the group.

This week Mandett Farm's 1511 annehed a rights issue raising 1511 annehed 1 fill.2m, partly to pay for North Devon Meat. When the deal fell through, Meadow bought DT Buggin for £13m cash, leaving it with strong cash balances.

UNIT TE

ere, M

ROSSW

### Frost lifts profits 29%

Palma Group continued its recovery in the first half of 1986, and yesterday announced pre-tax profits of £436,000 compared with previous losses of £60,000. For 1985 as a whole it achieved £613,000.

Turnover for this Leicester-based knitted products group, fell from £8.37m to £7.92m, but Mr Peter Bailey, the chairman, pointed out that last year's figure included £2.35m from discontinued activities.

The second half generally produced better results, he said, and the activities of the group increase earnings and reduce reduced reduced. Earnings for the six months are shown as 1.77p per share against losses of 0.65p. The prior year losses and capital allowances, the directors anticipated that tax for the year would be similarly low. After the outcome for the year, but given the prospects, the board anticipated being able to recommend an increased dividend. Last year's final was 1.25p.

The second half generally produced better results, he said, and he expected a further the outcome before the year as a whole.

The tax charge was £33,000 (nil) and taking into account prior year losses and capital allowances, the directors anticipated that tax for the year would be similarly low. After the outcome for the year, but interim dividend is stepped up interim d

The chairman said the reduc- (£184,000).

ALTHOUGH turnover fell from tion in turnover and increase in £44.21m to £33.63m in the half margins was a result of the prepear ended June 30 1986, pre-tax
profits of the Frost Group rose
by 29 per cent to £912,000 The company's expansion into
against a previous £708,000.

The chairman of the group
The chairman of the group said each of its three operating cost of site closures in the divisions, financial services, petrol retailing and sales promotion, had again recorded increased profitzbility, and the second half had started well.

The interim dividend is lifted from 2p to 2.5p. Earnings per share improved from 4.9p to 5.11p.

The chairman said the reductive of site closures in the cost of site closures in t

## The second half generally produced better results, he said, and he expected a function and the activities of the group continued to progress. Management's two objectives were to

#### **Consolidated Metallurgical Industries Limited** (Registration No. 75/00230/06) (" CM) ")

#### Johannesburg Consolidated Investment Company, Limited

(Registration No. 01/00429/06) (" JC} ")

(Both companies incorporated in the Republic of South Africa) PROPOSED RIGHTS OFFER OF ORDINARY SHARES IN CMI TO ORDINARY MEMBERS OF ICI

It is proposed that CMI should apply for a listing on The Johannesburg Stock Exchange (JSE) and consideration is being given to seek a quotation on The Stock Exchange in London (SEL) by means of a rights offer to members of JCI (other than those whose addresses appearing in the share registers of JCI are within the United States of America or Canada) who will be invited to subscribe for new ordinary shares in CMI. The rights offer will be made in accordance with the rules and regulations of the JSE and SEL.

CMI is a leading producer of ferrochrome at its plant at Lydenburg in the Eastern Transvaal. It commenced production in October 1977 and currently is operating at full capacity of 150 000 tons of ferrochrome per annum. Production is virtually all exported, with sales to major established markets in the United States, Japan and Europe. Ferrochrome is used in the production of stainless and specialty steels which have shown strong growth in rocent years. South African producers of ferrochrome are well situated to participate in this important market to the extent that this country has plentiful supplies of

CMI is particularly well placed in relation to world market requirements in that it is the world's largest producer of granulated ferrochrome, demand for which has been increasing. Over the past few years the demand for ferrochrome has been strong, which has resulted in firm prices, although more recently the relation has oftened as the consequence of the commissioning the price has softened as the consequence of the commissioning of new production facilities, particularly in finland. The fall in the value of the rand vis-a-vis the dollar has, however, more than compensated for the weakness in the dollar price of

Subject to the rules and regulations of the JSE and SEL a further announcement giving details and anticipated dates of the proposed rights offer will be made shortly.

Johannesburg, 27 August 1986

#### THE FROST GROUP PLC. INVESTMENT HOLDING CO.

Sunley House, Oxford Road, Aylesbury, Bucks HP19 3RP Telephone: Aylesbury (0296) 5951 Facsimile (0296) 32891

UNAUDITED INTERIM STATEMENT

HALF YEAR ENDED 30th JUNE 1986 Year | Year | Year

Turnover (exc. VAT)	ended 31.12.85 £700 89,310	ended 30.6.85 £'000 44,209	ended 30.6.86 £'000 33,627	%
Profit before taxation Taxation	1,407 314	708 174	912 190	+29
Profit after taxation Minorities Extraordinary items	1,093 82 198	534 82	722	+35
Attributable to Shareholders Interim Dividend 2.5p	813	452	722	+60
(1985=2.0p)	538	184	354	+25
Profit retained	275	268	368	+37
Earnings per Share on weighted average of Shares in issue for the period Dividend Cover	9.30p 2.04	4.90p 2.00	5.11p	

CHAIRMAN'S STATEMENT I am pleased to report that each of the three operating divisions

I am pleased to report that each of the three operating divisions has yet again recorded increased profitability. The reduction in turnover and increase in margins is a result of the previously announced policy of shedding low margin business. The Company's expansion into higher margin freehold petroleum sites continues and will continue. The net cost of the site closures in the period amounted to £59,000 which will be written off as an Extraordinary item at the year end.

Negotiations have been concluded to open an additional Branch of Raphael's for Banking Services in Banbury. Oxfordshire, at the beginning of the New Year.

The increase in Dividend by 25% is in line with the Company's policy of distributing half and keeping half for future use in the Company. The second half year has started well.

### Joining Mowlem International board

# Mr Denis Yell and Mr Wynn Menrick have been appointed to the board of MOWLEM INTERNATIONAL. Mr Yell joined Mowlem in 1968 and has held various posts in East Africa. Diego Garcia and the US as well as the UK. He is now contracts director of Mowlem International. Mr Keurick joined the Mowlem group in 1965, working in East Africa for 10 years from 1972. He is currently UK project manager for the LangMowlem-ARC joint venture which is building Mount Pleasant Airport in the Falklands Islands. Multi Construction Developments and promotions, who properties, by Flakt. Mr Ruxton — preproportion depoints and promotions, who proportions and promotions. Mr Spiers will be assisted by two deputy heads of profession, where he was a director. Mr Chris Deam has joined to deputy head (land and air systems). Mr William Sanders, director general aircraft 1, will become deputy head (land and air systems). Mr William Sanders, director general submarines, and administration. Flakt is the UK subsidiary of the Stockholmdirector of Mowlem from 1965, working in East Africa for 10 years from 1972. He is currently UK project manager for the LangMowlem-ARC joint venture which is building Mount Pleasant Airport in the Falklands Islands. Multi Construction Developments and promotions. Mr Sucre products division — preproducts. Mr Martin Peters, director general aircraft 1, will become deputy head (land and air systems). Mr William Sanders, director general submarines, and administration. Flakt is the UK subsidiary of the Stockholmsystems) and head of the Royal based Flakt AB Grupp. Mr Andrew Woods has been appointed to the boards of CALEDONIAN ASSOCIATED man, Both Mr Davis and Mr Arnise are division — productions. Mr Seventary two deputy heads of profession, marketing division — will have special two deputy heads of profession, marketing division — will have special two deputy heads of profession, mr Martin Peters, director general sirraft 1, will become the profuctions. Mr Peters Revalues and Mr Martin Peters, director gener

Aurport in the Falklands Islands.

Mr Clive Greaves, worldwide publishing director of the Economist, has been appointed chief executive of MARSHALL CAVENDISH, part of Times Publishing Berhad, a subsidiary of Singapore's publishing and newspaper conglomerate, Singapore Press Holdings.

TOWERS. PERPORE 100 branch money trading.

Major General N. St. G. Gribbon has been appointed a director of CHANCELLOR INSURANCE COMPANY, UK C subsidiary of Phoenician Holdings of Vancouver.

CLAY & PARTNERS, consulting actuaries, have admitted Mr ing actuaries, have a manufactuaries in actuaries in act

remuneration consulting as well as Cresap, McCormick & Paget's general management consulting and Tillinghast's life and casualty insurance consulting. Mr Exall was formerly far East regional manager for TUELC.

Mr David W. Bainbridge has

TOWERS. PERRIN. FORSTER
& CROSBY has appointed Mr
Keith Exall as director of marketing. His responsibility will extend across Towers
Perrin's actuarial, pensions and remuneration concelling as any security director.

been appointed a director of the aerospace & defence group of SMITHS INDUSTRIES. He is responsible for the group's international press and public relations.



Systems) and head of the Royal Corps of Naval Constructors.

Mr Andrew Woods has been appointed to the boards of CALEDONIAN ASSOCIATED PROPERTIES and a new development company TAYLOR CLARK (SCOTLAND). He will

At PHOTO-ME INTERNA-TIONAL Mr John Currie, who intends for personal reasons— to spend an extended period in Australia, has resigned as a director and chairman. He has director and chairman. He has become vice-president. Mr Dan David has agreed to accept nomination as chairman on a temporary besis. He will not be able to occupy the postsion on a permacent basis due to his other responsibilities in the PMI group in various countries. Mr Peter Berridge, with the company for 16 years, becomes company secretary. Secretary.

casualty insurance consulting.

Mr Exall was formerly Far East regional manager for TPF&C based in Tokyo. Ms Mary Rilines has been appointed head of publicity. She was formerly publicity and publications manager for Coopers & Lybrand.

GRANT THORNTON has appointed Dr Alexander Young as partner in charge of Bradenham, the firm's training centre.

MULTI CONSTRUCTION (UK) has appointed Mr Robert N, Bignold as managing director advises on professional aspects

EMTHS INDUSTRIES. He is responsible for the group's international press and publications.

\*\*Thornton has been appointed Mr Robert No. 1 and publications and profession of the DEFENCE He was with consumer to Livy's, has appointed Mr Robert No. 1 and publications are appointed as the first head of profession of the DEFENCE He was a director of Scottish Site Improvements and Stock Conversion.

\*\*Mr Gordon Ruxton has been appointed Mr Robert N, Bignold as managing director advises on professional aspects work specialist recently acquired head of professional aspects.

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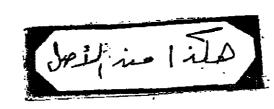
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108 July 108				
ior	Financial Times Thursday August 28 1986 LONDON RECENT ISSUES EQUITIES	AUTHORISED UNIT TRUSTS	FT UNIT TRUST INFORMATION SERVICE	21 Scottish Unit Managers 29 Charlotic St. Edinburgh Profic Food 20 774 4 -077, 0.30 White Ground 579 4 0.5 +0.21 1.56 White Ground 579 4.9 4.9 4.9 4.9 4.9 4.9 4.9 4.9 4.9 4.
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uspend	Resunciation date assually last day for dealing free of stamp thity. a Annualised dividend. b Figures based on prospectus estimates. d Birldend rate gold or payable on part of capital, cover based on dividend on full capital. g Assumed dividend and yield after scrip issue. F Forecast dividend cover on earnings updated by latest tiperin statement. H Dividend and Yield based on prospectus or other official estimates for 1987. L Estimated annualized dividend, cover and pre based on latest annual enrings. R Forecast annualized dividend, cover and pre payable on latest annual enrings. R Forecast annualized dividends, cover relates to previous dividends or based on latest annual earnings, a Forecast, or estimated assumitied dividend rate, cover based on previous year's earnings. I Issued by tender. Il Officerd individends of dividend rate, cover based on previous year's earnings. I sayed by tender. Il Officerd individends of dividend rate, cover based on previous year's earnings. I sayed by tender. Il Officerd individency of relative to the proposition with reorganization merger or takeover. Allotment price. 9 Unitsted securities warres. 17 Official London listing. \$\pmu\$ Including warrants existingment \ \text{Unit} \text{ Units} comprising of 1 New Ord., 1 \( \frac{9}{2}\text{ Red Pri., and 1 warrant.} \)	Address Wife Every 14.7 15.8 3.16 Address Wife Every 12.8 22.4 3.16 Address He or Yet 10.9 3 Address He or Yet 10.9 3 Address He or Yet 10.9 3 Bailtile Gifford & Co Ltd 3 Glerifettes St, Echologye 10.1 10.9 10.9 10.9 10.9 10.9 10.9 10.9	1972   1972   1973   1974   1975	01-626 6011
	UNIT TRUST, INSURANCE OFFSHORE, MONEY MARKET LISTINGS  For further advertising information, please contact: Pamola Fasiliner  Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY Telephone: 01-248 8000. Ext. 3219	100   100	Post   Prince   Pri	O1-638 5678
s 29°	FT CROSSWORD PUZZLE No. 6110	Do Prémité Treti	FFM American Foatics JP4.9 +0.8 2.15	+0.9 1.75 +0.9 1
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rd	ACROSS  1 Hitch at company rent-collection time in Paris? (11) 7 Determine to become hard (3) 9 Letter responsible for soldier's return to mother (5) 10 Instrument wanted by a doctor during pleasure trip (7) Common name for a girl it is said (7) 6 Bird lending weight to conversation (9) 7 Gets on with changes (6) 8 Man taken in by Conserva-	Fraze Prog Aug 22	Higher In: To late	### 177.5 *** Control (With)
	tive explanation (6)  11 Perfect resemblance to fastener on old fire-arm (9)  12 Go into some forbidden territory (5)  13 Nothing in report about soldier (7)  15 Time given to sport in German industrial area (4)  16 Quite an achievement we hear for walkers (4)  28 Run over in memory car's involvement with tree? (7)  22 Quietly manage to enjoy first fruit (5)  23 Scoundrel attributing awful crimes to a book (9)  25 Got better when given new coat perhaps (9)  27 Willow one associates with	74-75 Finchtury Processes, London EC2A Lib 1-582 2777  BK Specialist Prants  SK Specialist Specialist  SK Specialist Specialist  SK Specialist Specialist  SK Specialist Specialist  SK Special	District   Column	22 5776-5777   North Asperson   119.9   127.4   113
	28 Part of play to produce an effect (3)  29 Mariner lass featured in novel (5,6)  DOWN  1 Plausible contention friend makes for bomb-proof shelter (8)  2 Age not in question when saying "No" (8)  3 Get to certain part of river (5)	Middle   Lott Truets   Cold & Free Metals   Lott Truets   Lott	Compared	7-24 1.74 doi:10.10.10.10.10.10.10.10.10.10.10.10.10.1

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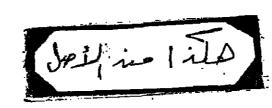
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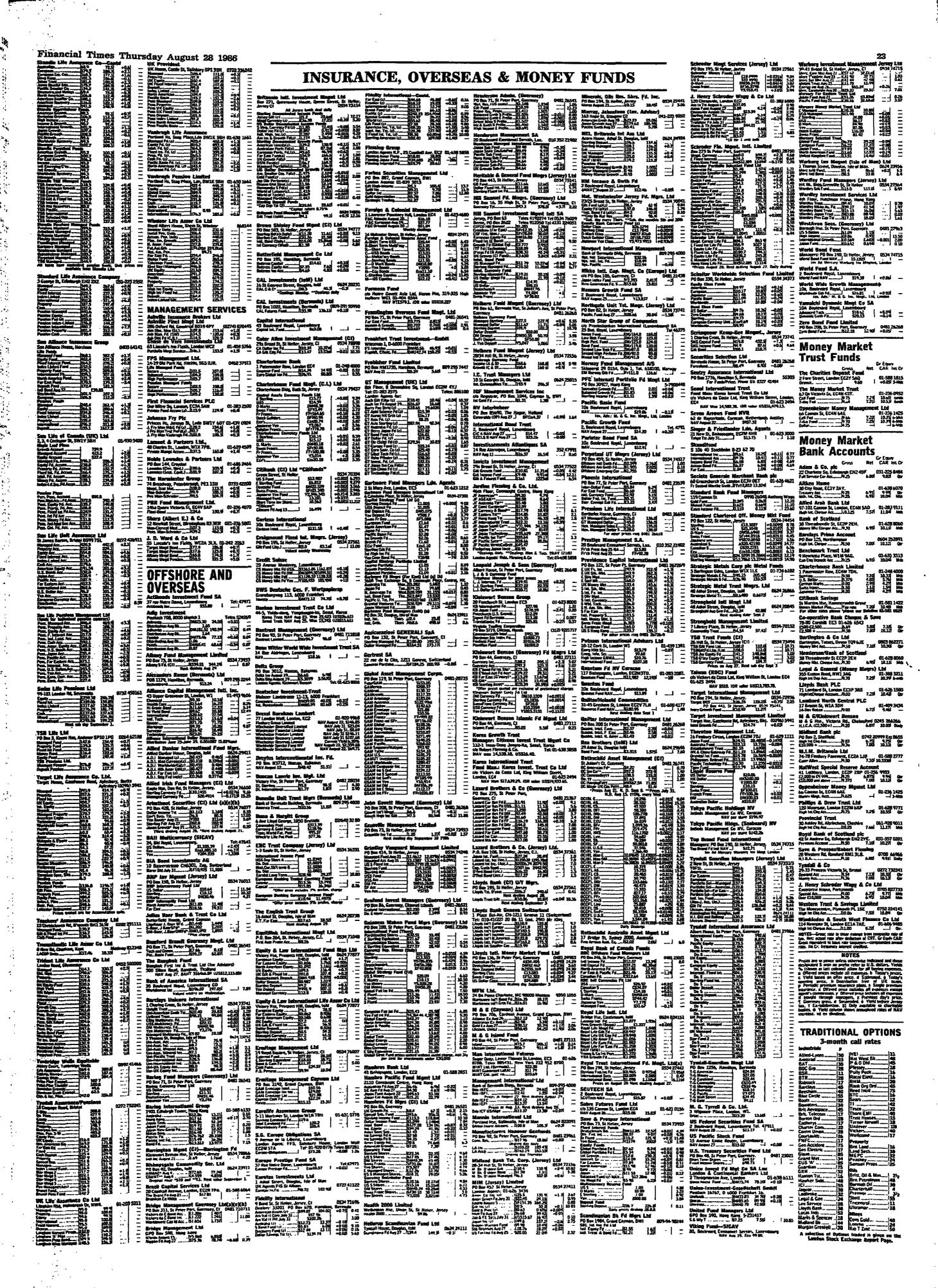
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5.80 5.85 6.71 8.89 7.03 7.00 7.25

SUGAR WORLD " 11" 112,000 b, cents/b-

LONDON

MARKETS

BY HUGH CARNEGY IN DUBLIN

THE IRISH Government, holdturn immediately to the EEC in yesterday more time was its efforts to aid the country's needed to assess the full effects hard-hit farmers.

ing in from the Atlatic on Mondersions were taken on ealls day, farmers' organisations from the two main farmers' were clamouring for help to organisations, the Irish Faroffset the effects of two years mers' Association and the Irish offset the effects of two years of miserable weather. Real farm incomes were down by 17 per cent last year and net out-put declined by 4 per cent in volume terms with significant falls again forecast in 1986.

falls again forecast in 1988.

Last week, Mr Austin Deasy, the Agriculture Minister, upset the industry when turned ..... the industry when he turned down appeals for cash aid, saying report of a countrywide crisis in fodder and cereals production were exaggerated. This work he admitted the worst week he admitted the worst storms for years had "radically altered the situation."

A few statistics show why

A few statistics show why no Irish Government can afford to neglect its farmers. Agriculture, of which dairy, beef and cereals are the main components, accounts for 11.5 per nents, accounts for 11.5 per cent of GDP, compared with EEC average of 3.8 per cent. One-third of all exports come from the agricultural sector and total direct and related employment makes up some 35 per cent of the workforce. It tion, for is a vital prop of the economic cash aid.

nd social fabric.
The Government's first move in the current emergency will be to apply to the EEC for an early devaluation of the Irish Green Pound in line with the actual currency's 8 per cent devaluation within the European Monetary System earlier this month. Mr Deasy has already been in touch with Mr Frans Andriessen, the Com-munity's Farm Commissioner,

of the storms, which in some Even before the tail end of eastern areas saw three inches Hurricane Charley came scyth- of rain fall in 24 hours, before

Real Incomes for

Irish Agriculture

130

ing an emergency meeting today to discuss damage caused by raising EEC farm support to crops by severe storms earlier this week, is likely to turn immediately to the EEC in its efforts to aid the country's present actual currency terms. last year.

The Government says that between the compilation of the Acot report and the arrival of Hurricane Charley, weather conditions improved markedly, allowing valuable fodder to be Irish farmers since the end of the 1970s when the early benebrought in. It says another



60

85

advisory advisory severe financial difficulties if cash aid is not forthcoming. As the Green Pound decent in the poorer areas of the north, north-west and southwest, a shortfall which hits the smallholders typical of those areas especially hard.

The Cereals Association of Ireland also said last week that

US grain traders said the main sticking point of the nego-

tiations over terms is the Soviet

demand for the right to reject shipments after arrival. Execu-

tives of grain companies said other Soviet requests, such as

Speculative limits under review

THE COMMODITY Futures beans, maize, wheat and the rule applies only to specula-

Shipment terms still blocking

**US-Soviet wheat trade** 

terms," Mr Lamstutz discussing the issue with the Soviets.

Mr Austin Deasy, the Irish Agriculture Minister— radically altered situation." Creamery Managers' Associa- spell of improved weather could tion, for Government and EEC also alleviate the problems facing cereal growers and so the Department of Agriculture rash aid.

The two crops most affected by the bad weather in the past two years are fodder, in the form of hay and silage, and cereals. It is these that were further jeopardised by the storms. The farm advisory service, Acot, issued a report cash aid is not forthcoming. As last week which estimated well as the Green Pound defodder deficits of up to 30 per valuation they want headage.

French wheat," he said.

Mr Amstutz said USDA policy is to set the subsidy level at the

Devaluation of the green grain producers, who are mostly for other EEC cash aid and

transporting fodder to affected

the 1970s when the early bene-fits of EEC membership turned around dramatically. Since 1979, real incomes have come down by some 50 per cent and in 1979 and 1980 real prices collapsed to 95 per cent of their 1970, pre-EEC levels.

Mr Peadar MacCanna, chief agriculture advisor at the Bank of Ireland, says many farmers have done well to survive this period after the years of rapid expansion in the mid-1970s. Many, especially in the big dairy sector, continue to do well but others have suffered badly from the combination of price declines, high inflation, high interest rates and falling land values. The dairy co-operatives are owed by their members an estimated 1£300m and have accounted for a significant part of heavy bank bad debt provisions recently.

In the longer term, EEC Common Agricultural Policy budget cuts and efforts to cut surpluses pose further threats to Irish farming.

Mr MacCanna thinks these problems can be overcome, but his immediate concern is for small farmers in wetland areas. He has warned that "many are reaching the stage where even with atthe areits are they are

munity's Farm Commissioner, west a snortial which might be smallholders typical of those station is agreed at the next EEC areas especially hard.

Farm Council meeting in midseptember.

Which are shared by the discussion of those doubled from their present level transition. If they aren't, then beast. They have also called traumatically."

## producers lift zinc

THE US is unlikely to sell any subsidised wheat to the Soviet Union under its recent offer unless Moscow and US grain traders reach some agreement over proposed new shipping terms, Mr Daniel Amstutz, the US Agriculture Undersecretary, said yesterday, reports Reuter from Washington.

or French, has been willing to sell to the Russians on those is that we're right on the market terms," Mr Amstutz said.

Grain exporters have been meeting with Soviet officials to try to negotiate a compromise over the issue. Grain traders said a senior official of Continental Grain Co of New York was in Moscow this week for Mr Amstutz said.

"The best information I have is that we're right on the market for hard red winter wheat," he waid, adding that the USDA believes the prevailing world market over the issue. Grain traders said a senior official of Continental Grain Co of New York was in Moscow this week for hard red winter wheat," he conditions would change, we'd reflect that, but they haven't," EUROPEAN zinc producers yesterday underlined the recent buoyant state of the zinc market by raising their list prices for the metal by \$40 to \$880 a from Washington.

"Price levels have not been the issue, the terms have, and there has to be a resolution of Bunge said they also have been the issue, the terms have, and there has to be a resolution of Bunge said they also have been community wheat might be

Community wheat might be quoted as low as \$80 per tonne, he said US hard red winter was better quality.

"You can't make bread with Exchange, zinc prices actually fell on the day as traders took." profits following a rally which had lifted the metal by £34 a tonne in the previous week. Cash zinc ended at £576.75 a tonne, down £3.75. prevailing market price, not to undercut the world price.

ing the right to reject a shipment upon arrival at Soviet ports.

"My guess is that no exporter, be they American or Australian"

"Mountoring of grain loading, might be acceptable.

"Mr Amstutz defended the level," Mr Amstutz said. "Of USDA decision to keep the subsidy level has Soviet wheat subsidy offer at been lower (in recent weeks). America, which is causing the loss of an estimated 18,000 tonnes of production per month and is understood caused metal to be diverted across the Atlantic from Europe. This accounts for a recent drawdown in London Metal Exchange warehouse Trading Commission yesterday potatoes. Limites also exist on tors, not to hedgers, and the said it would seek public companies to federally set speculative positions of the need for revisions active, agricultural commodity futures, and cash-market reports with the commission.

Mr Anthony Hodges, an analyst with Rudolf Wolff, the traders, added:

A further factor is the continuing possibility that strike action might resume at Australia's Broken Hill mines,

Underlying the recent developments is what analysts describe as an increasingly bullish supply-demand picture, with demand holding up in the US and Europe, and Chinese imports increasing again. As a result, demand looks as if it is outstripping supply for the third quarter in a row. quarter in a row.

traders expect a further rise in the EPP by October.

However, there remains a danger that rising prices could bring recently-mothballed capacity back on stream, cautioned Mr Hodges.

its 1986 production target of 44,000 tonnes, company mana-ger Mr Paul Bliek said in Nou-mea, New Caledonia, reports Reuter.

Mr Bliek said SLN was limit-

SLN produced 22,000 tonnes of nickel in the first half of 1986. It planned to trim output to 10,000 tonnes in the third

INDICES

REUTERS

DOW JONES

Aug 27 Aug 25 M'th ago Year ago

1453,2 1453,2 1457,8 : 1675,9

Dow Aug Aug Mth Year

Spot 117.55 117.27 - 114.15 Fut 119.04 118.89 - 115.03

(Base: December 31 1931 = 100)

MAIN PRICE CHANGES

In tonnes unless atherwise stated.

175/182c +1 177/197c 18137.50 -4.5 5122.10 18591.00 -3.5 2446.85 2135/145 344.85p -2 332.70p 340.60p

TUESDAY'S burst of builtsh activity in the London cocoa futures market was maintained yesterday with the November position climbing another £25 to a five-month high of £1.506.50 a tonne. Technically inspired buying, triggered by constructive chart patterns, was the main feature of the market but the continued rise was also linked to concern over dry growing conditions in West Africa and Brazil. In the conce futures market Tuesday afternoon's weaker trend was still in evidence during the morning, when the November position touched a low of £2,140 a tonne. But a strong New York opening encouraged a sharp rally in London and the November quotation ended the day £12.50 up on balance at £2.240 a tonne. Dealers at 12,240 a forme. Dealers said the early decline was to be expected following the recent dramatic gains

LME prices supplied by Amalgamated Metal Trading.

#### ALUMINIUM

	Unofficial + or close p.m £ per tonne	High-Low
Cash Imonth s	780-5-1.5 - 0.5 770,5-1 - 2.0	786.785 774.770
(784-5), sertiemen cicse: 77	closing (am): C three months 772 t 785.5 (785). 0-1. er: 12.050 tonnes.	2-3 (771-2),

#### COPPER

t	Grade A	Unoffle	e'i '-	Higi	h'íow
	Cash 3 months	874.5 890,1	-1.	25 875: 75 893	873 887
	Official (871-1.5), (826.7), st Kerb close		month	s 885	3.5-9 5

ı	Official closing (sm): Cash 873-4
:	(871-1.5), three months 888.5-9 5
	(625.7), settlement 874 (871.5), Final Kerb close: 833-3.5.
:	CATHODES
1	Standard

3 months	869.	71 j-3	5.0	_	¥
Official c	lacina	(am):	Cash	286.0 5	Ē
(270-1), thi	se moi	the 272	-2.5 (2	2.2.5),	_
settlement		(271).	Fina	Kerb	

#### Turnover: 5,250 tonnes. US Spot: 22,0-24 0 cents per lb. LEAD

	Unofficial + or close(p,m.) -			High/low	
	264-5 268-8,5	-5,0 -4.5	26/ 27	3,75;288,5 3,268	8
Official	closino	(am):	Cash	847.7 5	9

(847-8), three months 897-8 (865-5), settlement 847-5 (845). US Producer prices 60-50.50 tents per lb.

#### NICKEL

<del>`</del>			The Morning, which took
	Unofficial + or close(p.m.) - £ per tomie	High/low	£35, the market made recovery, buoyed by rane interest and a steedy market, reports Drex
nths	2550-60 (+5.0 2590-5 +5.0	2605/2590	Lambert. By mid-afternoon
-70),	closing (am): C three month	s 2595-6	of up to £36. Encour interest for physicals, le close just off the highs.
	settlement 2575 (2 a: 2590.60.	570). Pinal	COFFEE Yesterday +

KUALA LUMPUR	TIN MARKET-
KUALA LUMPUR Close: 14.04 (14.00) Up 0.04 ringgit per	ringgit þer kg kg.
TINC	

High grade	Unofficial close(p.m. £ per	+ or tonne	High/ low
Cash 8 months	576-7,5 578,5-9	-3.75 -2.0	576/573 584:574 <sup>3</sup>
(571-2). ti	closing (a hree month 573.5 (5)	s 575.5-(	\$ (570-1).

close: 578-8.5. Turnaver: 10,100 tonnes. US Prime Western: 41.50-44.75 cents per /b.

#### **GOLD**

2010 IEII 31-8 IG 2000-8-301-8 DII DIE
London bullion market yesterday. It
opened at \$377%-378% and was fixed
at \$377.50 in the morning. The metal
touched a low of \$377-377'z but re-
covered in the afternoon to be fixed
at \$380.10, and touch a high of \$3811-
382, bassted by demand from New
York, fuelled by the strength of plati-
num and a decline of the dollar.
COLD BUILDING CO. A. C. 26
GOLD BULLION (fine ounce) August 27
Close \$38054-38114 (£25614-25634)
Opening \$37754-3784 (£25514-2554)

M'n'g fix., \$577,80	(£264,737)
Aft'n'n fix \$380,10	(£256,046)
GOLD AND PLATI	NUM COINS
Krg'rnd \$276-379	(£8531 <sub>2</sub> -2551 <sub>2</sub> )
19 Krug \$20019-202	(£135-136)
14 Krug \$108-103	(£681 <sub>4</sub> -691 <sub>2</sub> )
1/10 Krug \$411-42	(£275 <sub>4</sub> -281 <sub>4</sub> )
Mapieleaf \$391-394	(£2631 <sub>2</sub> -2661 <sub>3</sub>
Angel \$388.391	(£261 ½-263 ½
1/10 Angel \$394.424	(£261 ½-263 ½)
New Sov \$91-93	(£261 ¼-62 ½)

SILVER
Silver was fixed 1p an ounce lowe
for spot delivery in the London bullion
-market yeşterdəy at 344.55p. US cen
equivalents of the fixing levels were
Spot \$10.25c, down Zc; three-month
617.45c, down 2.15c; six-month 525.35c
down 2.4c; and 12-month 541.25c
down 1.35c. The metal opened at 344's
348p (510-512e) and closed at 3424
344p (509-511c).

down 1.35 348p (510 344p (509	c. The mi -512c) as	etal o	pened at osed at	344
SILVER per troy oz	Bullion Fixing Price	+ or	L.M.E. p.m. Unoffic'i	I —
Spot 5 months.	344,55p 352,75p	-1,80 -1,16	342,25p 350,25p	-1.2 -1.5

LME-Turnover: 43 (25) lats at 10,000 ounces.
Three months high 351p, low 349p, final kerb 350-0.5p.

MEAT COMMISSION—Average fat-stock prices at representative markets. GB—Cattle 94.670 per to lw / -0.281

	CATTL		LIVE	
ionth	Yiday's close	+0"	Y/day's close	+0
g pt t v, b	97.80 98.60 98.60 99.50 99.00	-0.40 -0.30	103.30 105.30 98.50	=

PHYSICALS — The London market opened unchanged, attracted selling pressure throughout the day and closed on an easier note, reports Lawis and Past, Closing prices (buyers): Spot 53.00p (same): Oct 59.00p (same): Nov 59.00p (same): The Kuels Lumpur tob price (Malaysien cents per kilo): RSS No. 1 217.0 (same) and SMR20 187.0 (same).
FLTURES-Index 694, Sept 590-596.
Oct/Dec 585-590, Jan/March 596-698.
Amely / June 207-612 July / Sant 609-615

#### **US MARKETS**

WITH apprehension ahead

	of today's leading indicators
	and the Bundesbank meeting
	tending to cloud much of the
ĺ	activity in the financial
	firmings, the bilinginal interest
	again focused on the NSW
1	again focused on the New York platinum and coffee
	futures, reports Heinold. Both
	markets traded erratically
	with platinum shrugging of
	Arte blandam suraging on
!	initial profit-takit. leves of
	over \$10 per ounce in the
	leading October position to
	rally strongly as a series of
	large stop orders were acti-
	vated. The market neverthan
	less stopped short of
	nierring Tuesday's contract
	high, which gave rise to
	high, which gave rise to further sec-saw trading it nervous conditions. Prices
	nervous condtions. Prices
	eventually settled 54 higher
	on the day, as speculative
	concern over the deepening
	uncertainty of South African
	cumplies continued to hash
	the recent strength. Coffee
	the recent strength. Coffee marginally broke significant
l	tecnnical resistance tevels at
	205c in the December
	delivery position to settle at
	delivery position to settle at 205,25c per pound, with good

trade and renewed specula-tive support reversing initial

3 mths	100000		, mc			Oct	5.77	5.85	5.71	5.90
OILS	1					Jan	5.08	6.16	6.0B	6.27
	NEW	YOF	ìK			March	6.50	6.71	8.53	6.65
Coconut (Phil)  8240z						May	6.78	1.2	8.77	6.87 6.98
Palm Malayan [8202,5x i 5212,5	****					July	6.93	7.03	6.63 7.00	6.50
Gopra (Fhili)  8140w   8140	ALUMIN	IILHUJ 40	,000 гь,	CGU(2)/II	<u> </u>	Sept	7.00	. 7.00		7.23
Soyabean (U.S.) 5153y -2 (\$168		Close	High	LOW.	Prev	Qet	7.15	7-25	7.15	7-64
GRAINS	Aug	52.50	_		52.25	CHIC	:AGO	•	<del>-</del> . ,	
Unama	Sept	52,50	52.50	52.45	62.35	COL	460			
Barley Fut.Nov. £106.90;+0.0%£106.00	Det	52,75	_	. —	52.50	LIVE C	ATTLE 40.	.000 lb.	2011年/出	
Malze £150.50 £135.00	Dec	53.05	53.05	62,75	52.70		Close	Hieb	Low	Prev
Wheat Fut.Nov. £107.45 -0.40£105.20	Jan	53,20	_	-	52.85	<b>.</b>			58.85	59.86
No. 2 Hard Wint. : I :	March	53,45	53.40	53.35	53.15	. Oct	60.45	60.75	57.92	57.92
OTHERS	May	53.80	_	. —	53.50	Dec	58.55	52.60 57.90		57.25
	Sept	84.25	_	· —	63.95	Feb April	57.70 59.55	58.65	Ø.25 Se.17	56.07
Cocos Ft. Dec. 21506.5 +25 11444.6	Dec	54.35	_	_	54.05		- 58.30 58.22	58.22	- 57.75	57.50
Coffee Ft. Nov. 22240,0 +12,521871.5				<del></del> -	<del></del>	June				57.47
Cotton A Ind.*  37.60c +0.25 36,40c   Gas Oil Oct.  3136.5  -1.5 3105	COCOA	10 tona	186. \$/to	TRE .	· ·	TIVE H	30,00 apc	DO Ub. Co	nts/fb	
Subber (kilo)   69.5p   59.p		Close	High	Low	Prev		Close	High	Low	Prev
Sugar (raw) \$135≥  +2  \$151,50	Sept	1960	1975	1960	1964	Oct	57.66	57.90	<b>57,2</b> 0 -	67.17
Wooltops 64s :355p kilo	Dec	2032	2057	2030	2039	Dec	65.62	55.76	. 54.95	64.50
- · · ·	March	2075	2056	2075	2080	Feb	<b>62.82</b>	63.15	62.36	82.20
	May	2100	2111	2100	2089	April	47.40	47.45	45.87	46.80
	Sept	2130	2142	2137	2130	June	48.50	48.75	48.00	48.06 .
COCOA	Dec	2150	2161	2155	2150	July .	48,07	48.10	47.60	47.60
COOCA	i ——					Oct	42,90	42.92	. 42,50	42,20
Futures initially failed to make the	COFFEE	" C "	37,500 ft	o certis	/1b	Dec	41.47	43.47	· —	43.10
levels due, but persistent trade sup-		Close	High	Low	Prev	MAIZE	6,000 bu	nin, con	ts/60-16	bushel
port throughout an active day edged	Sept	201,50	105,25	182,00	195.91		Close	- High	LOW	Prete
prices higher and commission house	Dec	207, 97	106.00	134.60	198,82	Sant	164.2	68.0	151.4	153.0
buying late in the day ensured a	March	202,50	102.50	194,50	196.50	Dec	185.6	168.0	164.0	164.6
strong close. Menulacturers were	May	200.75	200.75	193.50	194.75	Merch	177.2	177.5	176.2	176:6
withdrawn but light origin sales of	July	201.00	139.00	193.00	185.00	May	124.0	194.2	122.6	183.6
actuals were noted, reports Gill and	Sent	196.50	193,50	193.50	180.50	July	187.2	788.0	185.6	187.6
Duffus.	Dec	196,50	193.50	163.50	190.50	Sept -	186.6	188.4	186.6	187.2
						Dec -	193.8	194.2	192.4	194.2
Yesterday's	COTTO	50,000	lb. cent	s/lb						
CCCOA Ciose + or Business		Close	High	LOW	Prev	PORK 8	ETTIES 3	8,000 AL	Cents/It	·
COCOA Done	Oct	34.62	34.65	33.50	33.56		Close	High	LOW	Prev
T bet found	Det	35.67	35.70	34.35	34.77	Feb	73.42	74.90	73.36	73.80
Sept 1447-1449 + 14.5 1488-1445	March	36.80	36.90	35.50	36.00	March	72.60	73,67	72.50	72.70
Dec 1506-1507 + 25.0 1508-1492	May	37.85	37.00	35.50	36.90	May	72.20	73,20	71.80	72.27
March 1542-1543 +23.0 1643-1628	July	38.50	37.90	37.45	37.80	July	71.36	71.92	70.97	71.25
May 1558-1559 +24.0 1580-1644	Oct	39.00			38.65	COVER	LANS 6.0	- h		<del></del>
July 1572-1575 + 27.0 1578-1566	Dac	39.80	39,75	39.50	39,05		o-ib bush			•
Sept 1686-1587   + 22.0 1588-1575						CHICK/ 6				
De c 1604-1606   + 22.0 1606-1695	COPPER	25,000	ib, cent	/b		_	Close	High	Low	Prev
Sales: 6.195 (6.108) lots of 10		Ciose	High	Low	- Orași	Sept	476.4	482.0	473.0	480.6
Sales: 6,195 (6,108) lots of 10	j	VIU20	nıgn	LUM	Prev	Mov	470.6	472.4	457.2	A65.6

#### COCOA

.... edtm &

COCOA	Yesterday's Close	+ or	Business Done
COOOA	£ per tonne		
Sapt		+14.5	1488-1448
Dec			
	1542-1543		
Мау	1558-1559	+ 84.0	1080-1544
luly	1572-1575 1686-1587	+37.0	15/8-1556 1588-1578
26 C	1604-1606	+ 22.0	1606-1698
Salas:	6,195 (6.108	) lote	of 10

tCCO Indicator prices (US cents per pound). Deity price for August 27: 97.88 (98.48): five-day sverage for August 28: 95.75 (94.92).

#### COFFEE

After further profit-taking during
After further profit-taking during the morning, which took levels down
£85, the market made a remarkable
recovery, buoyed by renewed physical
interest and a steady New York
market, reports Orexel Burnham
Lambert, By mid-afternoon levels had
recovered the losses and made gains
of up to £35. Encouraged by the
interest for physicals, levels held to
close just off the highs.
Pines last au his målis:

COFFEE	Yesterday Close	+ 0	Business Done	ا
Sept	[2320-2250		2285-2110	
Nov Jan Mar	2235-2245 2250-2240 2185-2180	+ 32.5 + 40.0	2260-2140 2255-2125 2250-2078	l
JUIY	2170-2176 2160-2170 2160-2190	+23.5	2160-2065 2180-2065	
Sales: 5 tonnes.	8,619 (1	1,140)	lots of	

pound) for August 26: Comp. deily 1978 (72.36 (174.78); 15-dey average 153.48 (150.93).

#### SOYABEAN MEAL

	Y'ster d'ys close	+01	Business done
October Dec Feb April June August October	129.0-128.8 120.8-151.4 131.6-152.4 129.6-130.4 129.6-129.9	-0.85 -0.20 -0.50 -0.45 -0.66	! =

**GRAINS** 

and a trades continuation Aithout keen to ward able, was a lower to the continuation at the continuation a	pite no wing a unchange on unce unce gis stored to sell spot at the ner nearby all mough to Barley follows to preports	ged op an ex- stainty keepers it and row dif nipper lift vi ound is recover	ening, masier netro over quest over quest object of the second of the second over the second o	oming with justicy. silways set for- svail- numents the buying sail- buying sartier
WHEAT				LEY
Moth	Gloss	<u>["</u>	Close	
Sept	106.75	-0.85	104.15	+0.05

Business done—Whest: Sept 106.806.50, Nov 107.65-7.25, Jan 110.15-9.70,
March 112.35-2.15, May 114.80-4.65,
Salas: 440 lots of 100 tonnes. Berley:
Sept 104.00-3.65, Nov 106.90-8.45, Jan
108.45-8.90, March 111.50-10.90, May
113.35, Salas: 220 lots of 100 tonnes.
LONDON GRAINS—Whest: US dark
northern spring no. 1 15 per cent. Sept
93.75, Oct 95.60, Nov 97.75. US no. 2
soft rad winter Sept 92.25, Oct 96.50,
Nov 97.00, Franch 114-12 per cent.
Aug 125.50, English feed fob Sept
110.00, Oct 111.00, Oct/Dec 112.00,
Jan/March 116.00 palds, April/June
120.00 salier. Malza: US no. 3 yellow/
Franch transhipment dass coast Aug
160.50, Berley: English feed fob Oct
110.00, Sept 108.00, Scottish palds,
Oct/Dec 112.50 buyer, Jan/March 116.75
seller.

ediler. HGCA—Locational ex-ferm apot prices (including levy of £3.373 a tonne): Feed barley: Eestern 100.50, E. Mids. 107.00, N. East 107.50, Scotland 101.20. The UK monetary co-efficient for the week beginning Monday September 1 will remain unchanged.

#### RURRER

NOBBEN
PHYSICALS — The London market opened unchanged, attracted selling pressure throughout the day and closer on an easier note, reports Lowis and Past, Closing prices (buyers): Spo 59.50p (seme): Oct 59.00p (seme): Not 59.00p (seme). The Kuels Lumpur foll price (Melaysien cents per kild): RSS No. 1 217.0 (seme) and SMR20 187.0 (seme).  PLITURES—Index 594, Sept 590-596
rujunta jijota senj espi sesisee

\*\*\* High Low Prev Sept 476.4 482.0 472.0 Nov 470.8 472.4 467.2 Sept 476.4 482.0 472.0 Sept 476.4 469.8 481.9 486.4 476.6 Sept 167.6 
High Low Prev March 151.0 161.5 144.6 7 18.07 16.53 15.78 July 162.5 162.5 151.0 1 15.90 16.50 15.78 August 162.0 162.0 161.0 1 16.42 15.67 Sept 17.2 17.5 151.0 1 15.70 15.40 15.62 SOYABEAN OIL 60,000 lb, centa/lb

3.55 58.05 SUTABLEAN RECAL 100 TORS, Sylven 1, 
E TRASS

POT/	<b>ATOE</b>	SUG	AR .		
a limited support beigra ci	range, : just abo osing und	and agair	reding within infinding fair 170.00 mark reports Coley	No. 6 Con- tract	Yest'rdy's close
end Han Month		Previo	ous  Business		\$ per t
Nov Feb Apr	£ po 115,50 126.00 175,00 188.00	115,00 126,90 174,50 189,50	116,59-115,59 175,59-171,70 189,59-188,08	Mar May Aug Oct	. 148.0-148.4 151.6-152.9 . 168.2-158.8 . 159.0-160.2
Novl	85,00	85,00	<u>:</u>	Dec	. 765,0-108,0

### Sales: 321 (690) lots of 40 tonnes. Earling-Aug 100.00, unchanged; Sept 85.00, unchanged. Sales: Nil lots of

#### OIL

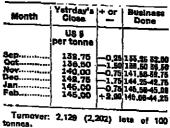
	( <u>LEZOSZ</u> 1	+ 01 -
CRUDE OIL-FOB (\$	per barrei)-	Sept.
Arab Light	1	_
Arab Heavy	 12.75-12,85	
Brent Blend	14.28.14 KB	+0.1
W.T.i. (Ipm est)	16.78-15,85*	
Foresdos (Nigeria) Urais (cif NWE)	=	_
PRODUCTS-North	West Europ	
Prompt delivery of	(\$ per ton	1 <del>0</del> )
Premium gasoline	192-195	+6
Gas Oil		) — 1

\* October.

\* October.

In the 15-day Brent market September firmed 10-15c during the morning. Most interest was for the exchange of September for forward months. October Dubei traded at \$13.50 and there was imperest in both September and the torward months. Nymex WTI opened 12c up in October to trade cretically within a wide 42c range and finish the morning 31c down by 1.30 pm EDT. In the petroleum products market gascline bergs process to as sherply due to forthcoming refinery shurdown. Ges cil wee quiet in thin trade. Heavy fuel remained firm on utility/end-user buying interest—Petroleum Argus, London.

#### **GAS OIL FUTURES**



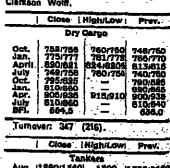
#### SPOT PRICES

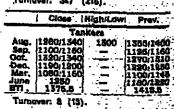
SPOT PRICES — Chicago locae lard 15.00 (sams) cents per pound. Handy and Herman silver buillion 511.0 (512.0) cents per troy ounce.

8 128.8-138.9 139.0-127.4 9 137.4-787.8

### FREIGHT FUTURES

Steady interest in Gull/Jepan rates kept the dry cargo market firm, although some nedge selling was evident, particularly with the October position so far above the spot index, reports Clarkson Wolff.





Highlands fish plant planned by Unilever

MARINE HARVEST part of MARINE HARVEST, part of Unilever, is to set up a £2m salmon packing and gutting plant near Fort William in the Scottish Highlands to handle production from its fish farms in Lochaber and Skye. The project will create 25 jobs in an area of high unemployment.

to and no ill-t not emp drar soci: from man: class DOTE earl 1530: indu creat west class the estat Α

insisted.

important elements of that (the contract terms) have to be re-

solved before we see any busi-

ness done."
The Soviets last month telexed all grain suppliers

Private storage

plan for EEC

beef imminent

By Tim Dickson in Brussels

A NEW private storage scheme for EEC beef offering fixed rates of aid to traders is due to be

introduced at the start of next

month by the European Commis-

unusual at this time of year

when fattened cattle are being

slaughtered, prices are weak. and Community officials are

seeking extra ways to take surplus supplies off the marketfi Last year's scheme was re-stricted to male animals but the latest measure, at the instiga-

tion particularly of the French,

covers male and female carcases

as well as half-carcases, and

hindquarters and forequarters

Storage periods can be for seven, eight or nine months but the conditions state that "after

two months of storage the con-

tractor can with two working-days' notice withdraw all or

of specific cuts.

ries

of sc Nevi ing own cond ning not : whic wonj "It Eugl of H Usag conti arel iOU

of ti *ien* 

eac wir ire. pri aan art

The biggest setback has part of the contracted meat ... occurred for pigmeat exports provided that within 60 days of removal from store it has frozen pigmeat to the US fell frozen pigmest to the US fell from 41,700 tonnes to 18,300 been exported from the territory of the Community or
placed in a victualling warehouse." The beef in storage is
also eligible for export refunds.

The beef in storage is
also eligible for export refunds.

Pigmeat exports to Japan fell from 38,300 to 36,600 tonnes and Virtually all export categories from DKr 1.34bn to DKr 1.31bn, shared in the setback, including and the Danes have also lost pigmeat, beef, dairy products, their position as the biggest

The Danes claim Taiwan is selling at below the minimum price laid down by the Japanese authorities and lodged complaints on this score.

BY HILARY BARNES IN COPENHAGEN

promotion and marketing of agricultural exports, which in Such arrangements, aimed the first seven months of this particularly at exporters, are not year amounted to DKr 19.8bn (£1.72bn), down 9 per cent compared with the same period

last year. grain, seeds and mink pelts. The depreciation of the

dollar, a general over-supply in world markets and falling EEC subsidies are among the underlying reasons for the export decline, according to Mr Klaus Bustrup, of the Agricultural Council (which represents all the farmers' organisations).

The falling value of sterling against the kroner is part of the explanation.

Tulip, the biggest Danish meat processing company, which accounts for about 20 per cent of all slaughterings, and Danish Crown, with a market share of about 5 per cent, have agreed to merge with effect from September 28. The new group will have a turnover of shout DKr 7.5bn a year, 6,000 countries to the stoppied markets, will lead to work stoppages, he said.

#### At present the commission en-forces federal speculative posi-tion limits on futures in con-tracts for oats, cotton, soya-futures combined. However, are limted to the numbers of its request. It said the request net positions they can hold in had been written four years any one future and in all ago and was being reviewed futures combined. However, anr possibly revised. Denmark's farm exports suffer 9% setback

MRS BRITTA Schall Holberg, the Danish Minister of Agriculture plans to seek additional government funding for the have also fallen, from 82,000 to 78,000 tonnes and from a value of DKr 1.63bn to DKr 1.46bn.

exporter of pigmest to Japan to the Taiwanese.

## European **Drices**

By Andrew Gowers

The latest rise took the Euro-

Analysts said the spark for the latest rally was provided by a continuing strike at Noranda's Valleyfield smelter in North

set a ceiling on the number of net positions which can be held by individual speculators on US futures exchanges. For the past two years commission staff have been meeting with various achanges to assess whether curent limits are too low and herefore impeding liquidity.

At present the commission enroes federal speculations on the current rules are speculative price futures. Current rules former are required to file futures and cash-market reports with the commission. In 1981 the commission adopted a rule requiring all exchanges to have speculative position limits for all commodities and the limits in response to conspict the limits for all commodities and the commission. In 1981 the commission adopted a rule requiring all exchanges to have speculative position limits for all commodities and the commission. In 1981 the commission adopted a rule requiring all exchanges to have speculative position limits for all commodities and the commission in 1975. Its predecessor agency, the Commodities and the commission adopted a rule requiring all exchanges to have speculative position limits for all commodities and the commission. In 1981 the commission adopted a rule requiring all exchanges to have speculative position limits for all commodities and the commission. In 1981 the commission and preventage and the commission and the exchanges to have speculative position limits for all commodities and the limits are too low and the limits are commission and the commiss "There was also an under-lying belief that the EPP should rise, because the decline in the dollar had been squeezing the margins of European smelters."

where an interim settlement was reached between workers and management several weeks

"The market is fairly good, anyway, even without Valleyfield," Said Mr Alan Davison of Shearson Lehman Bros. Many

SOCIETE LE NICKEL, SLN, is cutting up to 2,000 tonnes from

ing production "to take part in efforts to nurse the market back to health."

own 2.4 own 1.35 I&p (510 IAp (509-	ic: and ic. The mi -512c} as -511c).	12-m stalo id cl	month 526 ionth 541 pened et osed at	1.25c, 344 - 342 -
SILVER per troy oz	Bulllon Fixing Price	+ or	L.M.E. p.m. Unoffic'i	+ or
			342,25p	

9—Shee -7.09), (-0.63), -0.09), Prices	GBA/ GBA/ were	2p per gs 78.4 APP 98. besitall with	kg es 4p per 12p per ly unch dull p Cepital	t drw kg lw kg dw isngad, ihysiaal	
LIVE	CATTL	E į	LIVE	PIGS	
Month	Yiday's close	+0"	Y/day's close	+~	
Ig	97.60	-0.40			

Financial Times Thursday August 28 1986

### CURRENCIES, MONEY and CAPITAL MARKETS

cators and tomorrow's July US trade figures. The dollar closed in Frankfut at DM 2.0480, com-

pared with D M2.0475 on Tuesday.

range against the dollar in 1986 is 202,70 to 153.15. July aver-

**CURRENCY MOVEMENTS** 

**CURRENCY RATES** 

"CS/SDR rate for August 26.

OTHER CURRENCIES

71.2 110.8 76.5 131.2 96.7 88.3 140.0 169.4 129.4 69.6 47.6 216.5

0.815103 0.6988 512 1.80679 1.0217 8.53 4 17.4876 14.7894 8 51,4756 43.514 7 9.29184 7.9454 312 2.00639 2.3792 914 8.13376 6.8638 12 1705 3401 1449 3.449

August 27

rench Franc.

CHI

Sept Dec March June Sept Dec March June

JAPANESE YEN - Trading

#### FOREIGN EXCHANGES

### Dollar fades with rate hopes

THE DOLLAR gave up its early gains in Europe yesterday, and finished slightly weaker on the day. Expectations that today's meeting of the West German Bundesbank council would result in a discount rate cut becan to fade and the next that the same to fade on the fade of t began to fade, and the most that dealers now consider possible is a largely symbolic reduction in the Lombard rate, the level at which commercial banks obtain emergency loans from the cen-tral authorities. At present this is well above money market lending rates. Comments by the governor of the Bank of Japan also dampened hopes of an early cut in the Japanese discount

rate. The dollar was sold as dealers squared positions ahead of the Bundesbank meeting and some important US economic statistics. Today's leading leading indicators are expected to show a rise of about 0.4 to 0.5 per cent, and tomorrow's trade figures are generally forecast to be in deficit by some \$13bn to \$14bn.

The dollar fell to DM2.0445

Spot | \$1,4860-1,4846-51,4800-1,4818 1 month | 0,58-0,48 pm 0,54-0,52 pm 5 months | 1,40-1,35 pm 1,46-1,44 pm 12 months | 4,63-4,35 pm 5,03-4,33 pm

Sterling weakened with the dollar in late London trading, to finish at a record closing low of DM3.0350 compared with DM3.04 L also fell to FFr9.95 from FFr9.9625; to SFr2.4425 from SFr2.45; and to Y229.50 from Y229.75, but gained 10 points to \$1.4840.1.4850. Earlier in the day the pound was points to \$1.4840-1.4850. Earlier in the day the pound was boosted by short covering ahead of UK trade figures, as dealers grew doubtful about Tuesday's rusnour of a large deficit. When a small current account surplus of £12m and a cut in the trade deficit to £588m from £623m were announced there was little reaction.

The dollar fell to DM2.0445 from DM2.0495; to FFr6.7025 from SFr1.6520; and to Y154.65 from Y154.95.

On Bank of England figures

The dollar fell to DM2.0445 against the dollar in 1986 is this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this was offset by buying present the way of the dollar, but this way of the dollar, but this way offset by buying present the way of the dollar, but this way of the dollar in the way of the dollar in the way of the dollar in the way

from Y154.95.
On Bank of England figures the dollar's index was unchanged at 110.8.

STERLING—Trading range against the dollar in 1986 is 1.5555 to 1.3709. July average 1.5083. Exchange rate index rose 6.1 to 71.2, compared with 74.7 six months ago.

I so against 134.9 six months ago.

The D-Mark was little man Lombard rate, rather than the discount rate. Mr Satoshi Sumita, governor of the Bank of Japan, set back hopes of a reduction in the Japanese distrates at today's council meeting. Expectations of easier West Tokyo that now is not the time for a further easing of credit rise of the dollar to DM 2.0595

POUND SPOT-FORWARD AGAINST POUND

Aug 27	Day's spread	Close	One month	% p.a.	Three months	% p.a.
US	1.4790-1.4865	1.4840-1.4650	0.56-0.53c pm	4.41	1.48-1.43pm	3.92
Canada	2.0625-2.0770	2.0720-2.0730	0.34-0.25c pm	1.71	0.66-0.51pm	1.13
Nethind.	3.411-3.44%	3.424-3.434	11-11-c pm	4,81	4-31 pm	4.52
Belgium	62,80-63,17	62,80-62-90	14-11c pm	2.39	36-30pm	2.10
Denmark	11.46-11.53%	11.48-11.49	- Tore dis	-0.65	21-31-dis	-0.98
Ireland	1.0980-1.1065	1.1010-1.1020	per-0.10p dis	0.54	0.05-0.25dis	-0.54
W. Ger.	3.03-3.05	3.03-3.04	12-13-of pm	5.68	4-37cm	5.27
Portuga!	215.70-217.95	216.15-217.75	95-175c dts	-7.47	270-495dis	-7.05
Spain	188.05-189.60	198.05-196.45	40-90c dis	-3.94	120-215dis	-3.38
kely	20903-21044	2085-2096	2-7 Rre dis	-2.58	7-14dis	-2.00
Norway	10.83-10.807	10.851-10.861-	31_42ora dia	-4.21	12-12 <sup>1</sup> -dis	-4.51
France	9.921-9.991	3.941- 3.851 <sub>2</sub>	23-17-c om		5%-5pm	2.16
Sweden	10.241-10.281				15-5pm	0.34
Jacan	229-230	229-230	1 <sup>1</sup> e- <sup>7</sup> eV pim		27-21 pm	4.58
Austria	21.35-21.61	21.35-21.39	91 <sub>2</sub> -81 <sub>2</sub> gre pm		237214.0en	4.27
Switz.	2.434-2.46	2.434-2.444	13-14c pm	6.15	31-31-pm	5.53
Bal		or convertible				
Six	month forwar	d dollar 2.73	-2.58c pm. 12-m			
					<b>- P</b> illi	
DOL	IAD COL	T_CADV	VADD AGA	INCT	DOLLA	8

DOLLAR SPOT-FORWARD AGAINST DOLLAR

Aug 27	Day's spread	Close	One month	% p.s.	Three months	% p s.
UK†	1,4790-1,4895	1.4840-1.4850	0.56-0.53c pm	4,41	7.48-1.43pm	3.92
tretand f	1.3350-1.3470	1.3460-1.3470	0.70-0.35c pm	4,71	1.90-1.35pm	4.80
Canada	1.3935-1.3975	1.3960-1.3870	0.30-0.33c dis	-2.71	0.93-0.98dis	-2.74
Nethind.	2.3040-2.3255	2.3080-2.3090	0.16-0.13c pm	0.75	0.43-0.38pm	0.70
Belgium	42.30-42.70	42.30-42.40	5-7c dis	-1.69	17-21dls	-1.76
Denmerk	7.731-7.79 ·	7.73%-7.74	1.40-2.00ore dis	-2.62	5.75-6.25dis	-3.11
W. Ger.	2.0420-2.0605	2.0440-2.0450	0,25-0.22pf pm	1.37	0.72-0.67pm	1.35
Portugal	1454-1464	1453-1483		-11.86	330-480dis -	-11.0
Spain	133.60-134.80	133.65-133.75	75-90c dis	-7.35	210-225dis	-6.46
Italy	1409-1420	14113-16113-	7-94- lire dia	-8.28	195-23dia	-5.99
Norway	7.30%-1.37	7.314-7.314	5.10-5.50cm dis		15.20-15.70d	
France	6.69-6.75	6.70-6.70	0:70-0.90c die	-1.42	2.20-2.50dis	-1.39
Sweden	6.9018.95%	6.913-6.923	2.10-2.40ore dis	-3.89	6.10-6.40dls	-3.60
Japen	154.60-165.30	154.68-154.78	0.16-0.11y pm		0.39-0.34pm	0.94
Avertida	14,401-14,45%	14:401-14.411			2- <sup>1</sup> -pm	0.35
Switz.	1.6440-1.6630		0.28-0.23c pm		0.70-0.65pm	1.63
† UK disco	and Ireland a unts apply to	the US dollar		rward Lindivi	premiums and dual currence	d

**EXCHANGE CROSS RATES** 

Aug.27	£		DM	YEN	F Fr.	S Fr.	H.FL.	Ura	C#	B Fr.
₽ \$	0,674	1.486 1.	3.935 2.045	229.5 154.7		2,443 1,645			2,073 1,396	
DM YEN	0,329 4,357	0,489 6,468		75,62 1000.			1,129 14,93		0.683 9,031	20.71 273.9
F Fr. 8 Fr.	1,005 0,409	1,492 0,608	3,050 1,243	230.7 93.96			3.445 1.403		2,083 0,848	
H FL Lira	0.298 0.477		0.885 1.449	66,96 109,5	2,903 4,749	0.713 1.166	1. 1,636	611,3 1000,	0,606 0,989	
BFt.	0.488 1,591	0.716 2,362			4,801 15,83	1,179 3,886	1.654 5,453	1011. 33 <b>34</b> .	1, 3,298	80.33 100.
								_ =	- 455	

**EURO-CURRENCY INTEREST RATES** 

104 104-104				
514 514 6 834 814 815 515 5516 516 916 816 456 47 416 7.714 7.715 20 17-15	9 16 10 16 5 1 5 14 5 5 14 5 5 14 4 16 4 16 7 16 7 16 11 12 18 4	94.9% 54.5% 64.8% 6519 419.4% 718.7%	91g-95g 514 514 84-913 5-514 44-44 44-44 714-75g 107g-115g	912-956 514-575 814-812 5-514 413-413 413-413 712-714 1058-1114
-7% 7% 7% 8% 8% 8% 8% 8% 8% 8% 8% 8% 8% 8% 8% 8%	714-712 712-8 417-5 914-1614 518-513	714-71g 71g-8 434-41g 10 11g 55g-634	71g.73g 71z.734 43g.411 10-101g 65g.634	7-714 714-754 4-1-415 10-101 <sub>2</sub> 534-578
	336 318-34 5.518 5	816-816 6-84 6-84 6-16 8-16 8-16 8-16 8-16 8-16 8-16 8-16	816 816 816 816 816 816 816 816 816 816	336 818-35 6-814 51 81 81 87 67-31 61 5-51 6

FINANCIAL FUTURES

#### Gilts lower

from DM 2.0453 at the Frank-furt fixing, without interven-tion by the Bundesbank. The central bank was not expected to bow to pressure for a re-duction in interest rates, al-though a cut in the Lombard rate was not ruled out. Apart from squaring of positions ahead of today's council meet-ing, dealers were reluctant to Long gilt prices were lower in the London International Futures Exchange yesterday. Most sectors of the market change sentiment. Sellers were attracted selling during the evident partly and simply afternoon when the West German Bundesbank announced its intention not to hold a Press conference after today's meeting of the central council. This underlined a majority view that the discount rate would not be cut just yet.

However there was still a good deal of optimism about and yesterday's news did not really evident partly and simply afternoon when the West because there was still a good deal of optimism about and yesterday's news did not really evident partly and simply afternoon when the West because there was still a good deal of optimism about and yesterday's news did not really evident partly and simply afternoon. This appeared to be a short term attitude however with west Germany and Japan as well as the US expected to end the underlined a majority view that the discount rate would not be cut just yet. ing, dealers were reluctant to take new positions in anticipa-tion of today's US leading indi-

122-Q4 and touched a high of 122-08 quite early on before quickly running out of steam. Selling developed just before and after the Bundesbank announcement but there was a good steady period around 121-26 before further doubts pushed values to a low of 121-08. It closed at 121-09 down from 121-31 on Tuesday.

yesterday's news did not really change sentiment. Sellers were evident partly and simply because there was little incentive to buy. This appeared to be a short term atitude however with West Germany and Japan as well as the US expected to end the year with rates lower than at present.

The september gilt opened at 121-31 on Thestay.

US bond prices and Eurodollars acted in much the same way with trading becoming a little erratic in the afternoon. The market also faces the release of US economic indicators today and trade figures tomorrow although volume is likely to be inhibited ahead of the long weekend in the US.

Puts Last Jet Nov 1.55 1.25 1.75 2.85 1.30 5.55 2.5 9.20

Est. Volume 1,375 (1,641) Previous day's open int. 15,249 (13,166)

**CURRENCY FUTURES** POUND-\$ (FOREIGN EXCHANGE)

Latest High Low 1.4810 1.4815 1.4770 1.4670 1.4680 1.4640 1.4540 1.4640 — 1.4370 1.4370 —

LONDON SE E/S OPTIONS £12,500 (cents per £1)

10.00			10.00	0.00	_	_	V.L.	*	13,00	_		19.60	U.5U
13.55		13.55	13.55	0.80	€.03	0.25	0.66	1.40	8.30	8.30	8.55	8.70	0.20
8.55	8.55	8.55	8.55	0.00	0.28	0.89	7.65	1.45	3.40	4.15	4.85	5.25	0.65
3.66	4.10	4.62	5.24	0.46	1.31	2.39	3.44	1.50	6.70	1.70	2.45	2.90	2.95
0.86		2.24	2.94	2.66	3.75	5.01	6.14	1.55	0.20				
										0.60	7.10	1.50	7.45
90.0		0.91	1.48	6.88	7.62	8.68	9.68	1.60	0.20	_	_	0.75	11.90
0.00	0.07	0.31	0.67	11.80	12.28	13.08	13,87	1.65	0.28	_	_	0.70	17.4D
nated v	olume 1	totai. I	Carle O.	Puts 25	0			Previo	us day	's	n int		,569, Pu
				.084, Pu		75		Volum	a, 102	- upc	н инц	Cans 4	,003, FU
ADELPH			TIONS					LIPFE-	EURO	DOLLA	R OPT	IONS	
00 (cen	tsperi	£1)						\$1m pc	ints of	100%			
6		Last			Puts			Strike		Calts-	-Last		
: Sep	t Oct	Nov	Dac	Sept	Oct	Nov	Dec	price	Sept	Dec	Mar	June	Sept
17_95	_	_	17.95		_	_	0.15	92.25	1.89	1.92	1.85		0.00
12.96	12.95	_	12.95	_	0.05	_	0.60	92.50	1.64	1.67	1.61	_	
8.05	7.95	8.15	8.45	_	0.30	0.95	1.50	92.75	1.39	1.42			8 00
		4.55									1.37	_	0.00
3.15	3.75		5.05	0.35	1.35	2,40	3.00	93.00	1.14	1.18	1.13	_	0.03
0.60	1.45	2.10	2.40	2.50	3.80	5.05	5.80	93,25	0.89	0.93	0.91	_	0.00
0.05	0.30	0.55	1.25	6.70	7.70	8.70	9.40	93,50	0.64	0.70	0.70	_	0.00
	0.05	0.25	0.50	11.70	12.20	12 96	13.50	93.75	0.39	0.49	0.51	_	0.00
			4		_				-:	•	9.91	_	U.GU

ne qaa s	volume,	Calls 2.3	01, Puts	743 Estimated vo
CAGO				20-YEAR 12% NOTIONAL GILT
EASURY 00,000 32				Close High Low Pr Sept 121-09 122-08 121-08 121-
Latest 102-01 101-10 100-09 59-12 88-16 97-19	99-15 98-17	Low 101-19 100-28 99-27 99-08 98-10 97-15	Prev 102-13 101-21 100-22 93-23 98-25 97-35 97-95 96-13 95-03 94-17	Dec 121-13 122-10 121-12 122 March 121-09 —
EASURY pints of 1	00% 			10% NOTIONAL SHOAT GILT E100,000 64ths of 100% Close High Low Pr
i atest	High	Low	Prev	

CERT DEPOSIT (IMM) S1m points of 100% Prev 94,51 94,54

eints of 100%

Labest High Low Prev
94.15 94.16 94.13 94.15
-94.16 94.18 94.14 94.18
94.09 94.12 94.09 94.13
93.92 93.95 93.90 93.96 93.63
93.63 93.77 93.62 93.70
93.30 93.36 93.29 93.38
92.98 93.03 92.96 93.07
92.56 92.67 92.65 92.76 FT-SE 100 INDEX 625 per full index point Close High 165.65 166.0 168.80 188.80 171.30 — Volume 487 (150) High Low Prev 166.0 164.40 164.65 198.80 187.50 157.85 — 170.15

Arg'tina... 1.4685-1.4740 0.9900-0.9930
Aus'alta... 2.4270-8.4510\*1.6380-1.6400
Brazil... 280.48-30.55 13.77-13.85
Finland... 7.890-7.2995-4.9130-4.9160
Greece ... 198.45-201.71 154.01-136-20
H'kong... 11.565\*11.545\*7.8040-7.8060
iran.... 76.10°
Kuwait ... 0.4355 0.43400.28280-28280
Lux'burg 62.90-62.90 48.30-42.40
Malayaia... 3.8558-3.8610.2.5960-2.5996
N'2'land.2.9880-3.9950\*2.0150-2.0920
Saud' Ar.5.5590-5.5640].7500-3.7805
Sin' pore... 3.1965-3.2015 2.1570-2.1590
SAT (Cm13.8690-3.3915\*2.5110-2.5180
SAT (Cm13.8690-3.3915\*2.5110-2.5180
SAT.KFN). 7.2355-7.5080 4.8780-5.1886
U.A.E..... 5.440-5.4500 3.6785-5.6735 STERLING INDEX Aug 27 71.1 71.2 71.0 70.8 70.9 70.8 70.9 71.0 8.30 am ..... 9.00 am ..... 10.00 am ..... 

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu central rates	amounts against Ecu August 27	from contral rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	43.1139	43.5149	+0.93	+0.81	±1.5368
Danish Krone	7.81701	7.94640	+1.66	+1.54	$\pm 1.6403$
German D-mark	2.11083	2.10147	-0.44	-0.56	±1.1127
French Franc	6.87316	6.88382	+q.16	+0.04	±1.3659
Dutch Guilder	2_37833	2.37222	- 0.26	-0.38	±1.505 <del>8</del>
Irish Purk	0.764976	0.763330	-0.22	-0.36	±1.6823
Italian Lire	1476.95	1449.31	-1.87	-1.67	±4.0734
		cu, therefore justment calc			

#### **MONEY MARKETS**

A ..

### UK rates show little change

Interest rates were little changed in London yesterday in rather quiet trading. Sterling was slightly firmer although there was no prospect of any cut in rates just yet. Hopes were also dampened a little by a less than even chance of a cut in West German rates today. Three-month interbank maney was content at \$1.92 per cent from 1. \$25 per cent and the six-month at \$4.92 per cent compared with \$4.92 per cent compared with \$4.92 per cent. Overnight money traded between 11 per cent and \$2 per cent before finishing bid at 10 per cent. UK clearing bank base lending rate 10 per cent since May 22 band 2 at 94 per cent and £58m in band 3 at 94 per cent.

Further assistance was given in the afternoon of £340m comprising outright purchases of £2m of local authority bills and £34m of eligible bank bills all in band 1 at 94 per cent and in band 2 £242m of eligible bank bills at 94 per cent. In band 3 it bought £52m of eligible bank

NEW YORK RATES a shortage of around £700m with factors affecting the market including maturing assistance and a take up of Treasury bills together draining £483m and Exchequer (ransactions £150m. There was also a rise in the note circulation of £30m and banks brought forward balances £40m one we revised to a shortage of around f650m and the Bank gave assistance in the morning of £115m show years through outright purchases of 10 year \$100 MONEY RATES

Over-night Month, Months Months Months In vitin 4.50-4.45 4.65 4.60 4.40 4.55 4.40 4.65 4.40 4.55 7.718 7.738 7.719 7.719

bills at 9% per cent. Late assistance came to £165m, making a total of £620m.

In Frankfurt the West German Bundesbank announced its in-tention not to hold a press con-ference after today's meeting of

£165m, a time when the market took this as a fairly firm indication that there was to be no change in interest rates. Over the last two years however this rule of thumb assessment has not always FT LONDON INTERBANK FIXING

(11.00 a.m 27 August ) Six months US dollars Three months US dollars Offer 5 34 The flying rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for \$10m quoted by the market to LONDON MONEY RATES

August 37	Over night	7 days notice	Month	Three Months	Six Months	One Year
Interbank Sterling CDs. Sterling CDs. Local Authority Depos Local Authority Bonds Discount Mitt. Depos Company Depos Finance House Depos Finance House Depos Finance Hills (Buy) Sank Bills (Buy) Fine Trade Bills (Buy) Dollar CDs. SPR Linked Depos. ECU Depos.	912-11 10-1018 8-1018 918-1018 —	97 <sub>8</sub> 97 <sub>6</sub> -104 —	9++ 10++ 91e-10 91e-10 91e-10 10+ 10-1 91e-10 10-15 91e-10 5.80-5.85 5-2-6-1	95, 94, 95, 104 97, 97, 97, 97, 104,	9 % 9 % 9 % 9 % 9 % 9 % 9 % 9 % 9 % 9 %	9:6 9:5 9:6 9:8 9:8 9:8 9:8 9:6 9:6 9:6 9:6 9:6 9:6 9:6

Treasury Bills (sell): one month 9th per cent: three months 9th per cent. Benk Bills (sell): one month 9th per cent; three months 9th per cent. Treasury Bills: Average tender rate at discount 9.2347 per cent. ECGD Fixed Fixence Scheme IV reference date July 2 to August 5 (inclusive): 10.008 per cent Local Authority and Finance Houses seven days notice, others seven days fixed. Finance Houses Base Rats 10 per cent from August 11988. Bank Deposit Rates for sums at seven days notice 4.35-4.375 per cent. Certificates of tex Deposit (Series 6): Deposit 100,000 and over held under one month 10 per cent: one-three months 9th per cent: three-six months 9th per cent sine-12 months 9th per cent. Under £100,000 9th par cent from August 21. Deposits held under Series 5 9th per cent. Deposits withorzwn for cash 5th per cent.

#### **Company Notices**

SERNAH RUBBER COMPANY PLC

NOTICE IS HEREBY GIVEN that the
Sixty-Minth Annual Ordinary General
Meeting of the company with be held
at 4 Avenue Guillaume, Luxemboure,
on Friday, 19th Seprember 1886 at 12.00
noon to receive the Directors' Report
and the Accounts for the year ended
31st December 1985; to declare a dividend: to elect Directors: to appoint
Auditors and to fix their remuneration;
and for the transaction of any other
ordinary business of the company.
The Dividend recommended by the
Board is of 40p per CI share (gross)
and it approved at the Annual General
Meeting, will be payable on 7th
October 1988 to members on the 1995.
Coupon No. 34 from share warrants
to bearer must be presented, through
an Authorised Depositary, to the London Paying Agents. Standard Chartered Bank pic, Current Accounts/
Securities Department, 4 Cross/
Securities Department, 6 Coupons
and 1 forms which can be obtained
in sidvance from the benk if dividends
are being claimed from London Paying
Agents without deduction of United
Kingdom tax for non-residents, the
coupons must be accompanied by
affidavits.

By Order of the Board
INDUSTRIAL AND FINANCIAL

By Order of the Board INDUSTRIAL AND FINANCIAL SECRETARIAT LTD.

Screaties

46 Bedford Row.
London WCIR 4.J.
In order to be entitled to attend and
tot at this Meeting, holders of Share
Warrants to Beerer must deposit their
Share Warrants not laier than 12th
September 1986 at the Registered Office
of the company, 45 Bedford Row, London WCIR 4LJ.
Every member entitled to attend and
tots at the above mentioned meeting is
entitled to appoint one or more proxics
to attend end, on a poll, vote instead
of him, and any such proxy need not
also be a Member of the company.

**EUROPEAN COAL AND STEEL** 

NOTICE OF EARLY REDEMPTION NOTICE IS HEREBY GIVEN to the Holders of the above mentioned Notes that the Commission of the European Communities will proceed to the early standing hotes. • USS3.2 God offor at 100 1% of their principal amount on October 1st. 1986.

Interest accruing on the outstanding Notes wil cease as of that same date.
Lucembourg, August 28th, 1986.

Legal Notices

NOTICE IS HEREBY GIVEN that the Creditors of the above-named Company are required on or before the 30th day of September 1986 to send in their names and addresses, with particular, of their Debts or Cleims, and the names and addresses of their Solicitors (if any), to the undersigned William Tromas Tickle of 5, St. Georges Street. Douglas, late of Man, the Liquidator of the said Company, and, if so required by notice in writing by the said Liquidator, are by their Solicitors or personally to come in and prove their said Debts or Claims at such time and place as shall be specified in such notice or in delault thereof they will be excluded from the benefit of any distribution made before such debts are proved. This notice NOTICE IS HEREBY GIVEN that the

THE REPUBLIC OF PANAMA

UA 20.000,000 81%

1978/1993 Bonds
On August 14, 1985, Boads for the amount of UA 1,000,000 have been drawn of the amount of UA 1,000,000 have been drawn of the amount of UA 1,000,000 have been drawn of the amount of UA 1,000,000 have been drawn and following attoched on and after October 2, 1985.
The drawn Bonde are those, NOT YET PREVIOUSLY REDEEMED, included in the range beginning: 12505 up to 4432 het.
Amount outstonding, UA 7,000,000 Bonds previously drawn and not yet presented for payment: 8322 to 8324 incl. 8327 to 8324 incl. 8327 to 8324 incl. 8327 to 8324 incl. 9031 and 9031; 9030 to 8032 incl. 9030 and 9031; 9030 to 8032 incl. 9031 and 9326 incl. 9237 to 9381 incl. 9238 to 9338 incl. 9231 and 9336 incl. 9231 and 9337 incl. 9232 and 9337 incl. 9231 and 9332. The First all Asserts

**Corrective Notice** BLMC LIMITED

(Formerly British Levland Mc Corporation Limited) 14.8.1986 FF 100,000,000 71% Bonds 1987

after No. 18291 the right num is 18292 The Principal Paying Agent
CREDIT LYONNAIS LUXEMBOURG

Notice is hereby given to holders of CDR's issued by Certibleen Depositary Co., N.V., Curaçao, evidencing sheres in the above company that the "Third quarter report 1986" of Pioneer Electronic Corporation may be obtained from:

The Bank of Tokyo Ltd. established in. Tokyo. Bruxelles, Düsseldorf, Pans and New York. Amsterdam, August 21, 1986 Pierson, Heldring & Pierson N.

KUWAIT ASIA BANK E.C. US\$45,000,000 Floating Rate Certificates o Deposit 1987/89

For the six months from 28 August 1986 to 27 February 1987 the Certificates will cerry an interest of 64 per cent per annum. The interest payable of the cent per annum. The interest payable of the cent per annum. The interest payable of the cent per annum the cent payable of the cent per ce

EVE has outlived the others because of a policy of fair play and value for money Supper from 10-3.30 am. Disco and by musicians, glamorous hostesses, exciting floorsbores, 159, Regent St., W1. 01-734 0357.



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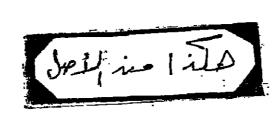
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	State   Stat	LEISURE — CONTINUED   10	
140, 89 140, 85 121, 870 171 184 122 171 180 180 180 180 180 180 180 180 180 18	11.5   11.5	8 145 British Land 173 +1 3.0 12.2 24 114.5 119 94 Autorité Apert 10 138 Brische Estate 159 +2 5.66 13 5.0 118.6 438 275 Ballite Grifford Japan 0 186 (	120

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Account Dealing Dates

Option

\*First Declara- Last Account Dealings tions Dealings Day
Aug 11 Aug 28 Aug 29 Sept 8
Sept 1 Sept 11 Sept 12 Sept 22
Sept 15 Sept 25 Sept 26 Oct 6
"New-time" dealings may take
place from 9.30 am two business days
cartist.

London markets changed course several times yesterday as investors aftered tack on a stream of trading influences, both good and bad. The session began encouragingly with lead-ing stocks advancing in the wake of Wall Street's buoyancy on Tuesday; the Dow Jones surged ahead strongly to within a few points of its highest-ever level and bonds also went sharply

Further buying enthusiasm was aroused by the early consuncements of new takeover bids, the largest being the IEP (UK) offer for Ocean Transport

per cent 1990 at 105-5.

Completion of the business saw prices react and lose fresh ground later on Gilt futures indications. The downturn con-

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**EQUITY GROUPS** 

& SUB-SECTIONS

1 CAPITAL 600DS (213)
2 Building Materials (26)
3 Contracting, Construction (31)
4 Electronics (38)
5 Electronics (38)
6 Mechanical Engineering (61)

GONSUMER GROUP (182)
Brewers and Distillers (22)
Food Manufacturing (22)
Food Retailing (15)
Health and Household Products (10)

Merchant Banks (12)... Property (50)... Other Financial (23)...

PRICE

**FIXED INTEREST** 

Day's

change %

10 Preference \_\_\_\_ 85.43 | -0.19 | 85.68 | \_\_ | 3.79

Tees August 26

zd adj. today

zd adj. 1986 to date

### US demand finally encourages good advance in equity leaders

easing 4 to 322p. Composit
Insurance, strong performers in
recent days, turned easier in th
absence of further support
Royals slipped 5 to 842p, whil
Commercial Union lost 3 to 302;
Sun Alliance, half-year figure
due shortly, ended 5 off at 705;
but GRE recovered from a
initial level of 853p to clos
unaltered at 860p. In the Lif
sector Pearl touched £15
following the good interin
results before easing back or
profit-taking to close unchange
6143

at £143.
The major clearing banks (UK) offer for Ocean Transport and Trading, but interest was tempered by Sedgwick's call for £186m, via a rights issue. The cash is needed to help finance the acquisition of Crump Cos Inc. America's eighth largest insurance broker.

Poor mid-term figures and a cautious statement on second-half prospects from sector leader Buse Circle Industries caused a pence more to 3480. Breweries

erased. The tone deteriorated further following announcement of the July trade returns which, although marginally better than some forecasts, still portrayed a worrying trend on UK current account.

Interest rate hopes faded after news that the West German Bundesbank would not hold a press conference after today's meeting, but the effects entiment were countered. ally better than some forecasts, still portrayed a worrying trend on UK current account.

Interest rate hopes faded after news that the West German Bundesbank would not hold a press conference after today's meeting, but the effects on sentiment were countered by a revival of US support. The buying was aimed at current favourites including British Petroleum, Shell Transport, Glaxo and Jaguar. Being heavily weighted towards oil shares, the FT-SE 100 share took off again to close at the day's highest of 1.629.8, up 13.6. The FT Ordinary share ended only 3.9 better at 1.280.5.

The authorities were active in the Gilt-edged sector, selling stock of all three tranches issued to the market on Tuesday. The f150m of Conversion 10 per cent 1996 was exhausted at 103 and the Government broker also sold further supplies of Treasury 91 per cent 2002, at 1031, before withdrawing. At the shorter end of the market, the authorities were on and off in Exchequer 11 per cent 1990 at 10516.

Completion of the business

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times,

the Institute of Actuaries and the Faculty of Actuaries

Wednesday August 27 1986

Gross Div. Yield% (ACT at 29%)

Est. P/E Ratio (Net)

| No. | Change | Ciligat | Cilicit | Cilicit | Social | Ro. 
803.57 +0.7 - 3.96 - 15.09 798.38 794.23 794.89 633.64

| Index | Day's | Day's | Day's | Aug | Au

5 years... 15 years... 25 years...

# 10.81 10.79 12.27

	F	INAN	CIAL	TIME	s st	CK i	NDICE	S		
	A	Aps	Aug	Ang	Aus	year'	19	86	Since Co	mpliation.
l	Aug 7	26	22	21	8	850	Hilgh	Low	High	Ltyee
Government Secs	89.66	89.74	89.54	89.85	89.93	83.58	94.51 (184)	80.39 (20/1)	127.4 (9/1.35)	49.18 (3/1/75)
Fixed interest	95.67	95.48	95.72	95.81	95.83	88.60	97.68 (77)	86.55 (23/1)	105.4 (28/11/47)	50.53 U20.05)
Ordinary 🛡	1,280.5	1,276.6	1,271.2	1,267.1	1,268.4	991.3	1,425.9 (34)	1,094.3	1,425.9 (3/4/86)	49,4 (26/5/40)
Gold Wises	244.9	246.0	235.9	225.9	222.5	290.4	357.0 (2 <u>7/1</u> )	185.7	734.7 (15-2/83)	49.5 (26/1 <u>9/71)</u>
Ord. Div. Yleid	430	433	4.35	4.37	4.37	4,75		S.E. AC	TIVITY	
Earnlags Yld %(fatt)	30.40	10.47	10.52	10.55	10.56	11.75	In	dices	Aug.26	Aug.22
P/E Ratio (net) (*)	11.72	11.64	11.59	11.56	11.55	10.54		Bargains	140.6	83.5
Total Bargalos (Est)	19,520	19,975 404.42	20,864 451.04	20,734 671.97	20,731 679.27	20,546	Equity Valu		1201 817.4	83.5 105.9 911.7
Equity Turnover Em Equity Barpains	_	18,535	16,348	18,535	19,934	17,346	5-Day Aver Gilt Edged Equity Bars	Sargains	124.6 120.4	1183 1220 1133 <i>A</i>
Stares Traded (mi)	_	181.9	201.6	504.4	481.9	151.4	Equity Valu	<u> </u>	1104.5	1133.4
	10 a.m. 1279.8		a.m. 77.8	Noon 1276.3		p.m. 277.0	2 p.m 1277.	]	p.m. 278.0	4 p.m. 1279.2
Day's High 128			1276.1.							
Basis 100 Gort.	. Secs 15/3	10/26, Flori	d lat. 192	8, Ordinary	1/7/35, €	old Mines	12/9/55, SE	Activity 197	74 +NI = 11.	33

over 1m shares with clients of Cazenove to satisfy holders of options under the Grattan senior management scheme. Revived support in a limited market

advanced 10 to 233p. Eisewhere in Footwear counters, dealings in FII were resumed at 310p 1010wing the rights issue and acquisition of Lotus; the new nil-paid touched 30p premium. The Electrical leaders opened firmer, but drifted back before settling little changed on the settling little changed on the day. British Telecom ended a day. British Telecom ended a couple of pence firmer at 198p following the board changes. Among secondary issues, speculative activity persisted in D. J. Security Alarms which touched 112p before closing 8 higher on the day at 108p. Still reflecting the interim figures. Cambridge Electronic lost 5 further to 195p, but BSR, up to 73p following comment on the

73p following comment on the half-year results, reacted to close without alteration at 70p. Late per cent, while Tay Homes gained
11 to 135p following reports of
a couple of broker's circulars.
ICI touched £10\following reports of
closing \footnote{\footnote{1}} higher at £10\following a bear squeeze. Among offier
Chemicals, Anchor dipped 13 to
217p reflecting persistent small
selling in an unwilling market.
Laporte edged up 4 to 367p. but
Foseco shed that much, to 231p. support left United Scientific 5

Times Aug 21

(approx.)

Fri Aug 22

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harder with Cadbury Schweppes narder with Cadduty Schweppes 2 dearer at 172p and Rowntree Mackintosh 5 better at 350p. Northern Foods firmed 4 to 288p. Elsewhere, Albert Fisher added 4 to 183p helped by news that

LONDON REPORT AND LATEST SHARE INDEX: TEL. 01-246 8026

#### Glaxo up again

Glaxo provided the main source of interest in the miscelsource of interest in the miscel-laneous industrial leaders, advancing 27 to 982p in response to persistent US buying interest. Other gains were usually limited to a few pence, but Metal Box firmed 5 to 183p and Trafalgar House 4 to 286p. Elsewhere, London and Midland Industrials London and Midland Industrials rose 5 to 225p and the Deferred shares 7 to 135p on the agreed bid from Williams Holdings; the latter fell away to close 20 lower at 630p. Smiths Industries featured a rise of 13 at 278p ahead of the Farnborough Air Show, while Hunting Associated were also noteworthy for a gain of 10 at 300p. Satisfactory pre-Disappointing interim figures prompted a reaction of 7 to 193p in recent favourite Welf Group

closing i higher at £10 following interim figures in the downturn continued in the after-hours trade to leave all maturities showing minor losses on the day, after early gains extending to i.

Sedgwick react

Lloyds broker Sedgwick fell 27 to 345p as the company announced a £186m rights issue to principally finance the acquisition of Crump Companies Incorporated. Other Lloyds brokers were marked down in sympathy with Willis Faber falling 16 to 409p. C. E. Heath losing 7 to 480p and Hogg Robinson 2 lossing i higher at £10 following ting a bear squeeze. Among ofter chemicals, Anchor dipped 13 to 217p reflecting persistent small in revived speculative activity developed in Glynwed which put on 10 to 308p. Elsewhere in the Engineering sector, bid speculation continued in Whessoe, up 6 more at 114p for a two-day rise of 20. Ti, a rising market recently on talk of a consortium bid led by Evered, eased 8 to English, 233p and Gussies A, speculative positions. Movesters were marked down in sympathy with Willis Faber falling 16 to 409p. C. E. Heath losing 7 to 480p and Hogg Robinson 200 to 272p before settling a couple of 272p before settling a co

late as a number of brokers downgraded profit estimates in the wake of the disappointing interim figures, rallied 27 to 515p reflecting "cheap" support and a squeeze on bear positions following overnight demand on Wail Street. Elsewhere in Motors, AE were unchanged at 234p as Turner and Newall announced that it now spoke for 20.9 per cent of the equity. lowing overnight demand on Wall Street. Elsewhere in the oil sector, much of which has been directed towards the majors, spilled over into many announced that it now spoke for 20.9 per cent of the equity.

Recent strong buying interest recorded 1,891 and 1,088 puts respectively.

In the oil sector, much of which has been directed towards the majors, spilled over into many of the secondary issues. However, 20.9 per cent of the equity.

Recent strong buying interest recorded 1,891 and 1,088 puts respectively.

In the oil sector, much of which has been directed towards the majors, spilled over into many of the secondary issues. However, and Reyal Dutch/Shell continued to dominate the sector with heavy American support again in evidence, following news that the Norwegian Government is seeking to reduce oil featured with a gain of 5 to 550

flier Ault and Wiborg shed that much to 43p. Ireland's Jefferson Smarfit were marked 9 lower to support in a limited market lifted Dunhill 10 more to 530p and Austin Reed A 8 to 150p, while further consideration of the first-half figures buoyed USM-quoted William Bedford, finally 5 to the good at 83p. Stylo returned to favour and advanced 10 to 233p. Elsewhere allowing the rights issue and acquisition of Lotus: the new consideration counters added to loss ponded to persistent inquiry with an advance of 8 to 155p.

Smarfit were marked 9 lower to 223p. Communication counters highlighted Barham which responded to buy-with an advance of 8 to 155p.

Siongh Estates attracted support following the interim results and closed 6 higher at the day's best of 170p. Brixton Estate, half-timer due on September to 159p in sympathy. Elsewhere in the Process counters in the lotus of 
ber 15, added a couple of pence to 1589 in sympathy. Elsewhere in the Property sector, Chester-field rose 15 to 470p as the company bought in 25,000 of its own shares at 467p per share. Stewart Nairn revived with a gain of 1½ at 17p, while Abaco found support at 74p, up 3. Wingate picked up 10 to 420p, but Brookmenut encountered scrapny sellmount encountered scrappy sell-ing and shed that amount, to \$10p.
The recently lacklustre

following proposed offer terms from Mr Ron Brierley's IEP; Ocean's board has rejected the approach as "totally without merit" and "completely unacceptable." P & O, once lose 5 down at 88p, while merit and "completely unacceptable." P & O, once lose 5 down at 88p, while merit and "completely unacceptable." P & O, once lose 5 down at 88p, while merit and "completely unacceptable." P & O, once lose 5 down at 88p, while merit and "completely unacceptable." P & O, once lose 5 down at 88p, while merit and "completely unacceptable." P & O, once lose 5 down at 88p, while merit and rose speculative issues Oil Search attracted good support and rose 4½ to 2½p. Tins showed Malaysia Mining 3 firmer at 24p while scheduled for September 3. British and Commonwealth rose purchase of Irish leasing concern woodchester. Walter Runciman responded to revived speculative interest with a gain of 8 to 141p. Investment Trusts made modest progress over a broad front. Alliance Trust improved in more to 797p, while similar gains were noted for Fleming and for Traded Options improved sharply, mainly reflecting increased activity ahead of the expiry of the August series amounted to 25,432—16,955 calls

couple of pence more to 151p awaiting today's interim statement.

Paper/Printings lacked a de-cided trend. Olives Paper Mill featured with a gain of 5 to 55p following the disclosure that Melton Medes now controls just over 12 per cent of the equity. Wace continued to respond to comment in the weekend Press and hardened 2 more to 72p, but news that the Norwegian Govert-ment is seeking to reduce oil production from the North Sea. Responding to renewed firmness in spot oil prices, the latest optimism over today's second-quarter results, BP moved up 13 more to a year's best of 670p

#### **NEW HIGHS AND LOWS FOR 1986**

NEW HIGHS (124) AMERICANS (15). CANADIANS (1).

BANKS (8). BREWERS (1). BUILDINGS
(6). CHEMICALS (5). STORES (5).

ELECTRICALS (4). FOODS (3), INDUSTRIALS (13). INSURANCE (1). LEISURE (1). MOTORS (1). PAPER (2).

PROPERTY (3). SHIPPING (1). TRUSTS (42). OILS (10). OVERSEAS TRADERS (7). MINES (1).

BUILDINGS (2) Burnet & Hallemshire, Dunton. CHEMICALS (1) Scottish Agricultural Inds. ELECTRICALS (4) CPU Computers, Cambridge Electronic, Dale Electric, Lexicon Inc. INDUSTRIALS (3) Airaprung, Equipu, High-Point Services. P/ER (1) TMD Advertising. SHIPPING (1) Sea Containers.

RASE LEND	ING RATES
]	
%	Rector Trust Ltd. 191/4
ABN Bank 10 Allied Arab Bank Ltd 10	Financial & Gen. Sec 19
Allied Dunbar & Co 19	First Nat. Fin. Corp 11
Allied Irish Bank	First Nat. Sec. Ltd
Allied Irish Bank	Robert Fleming & Co 10
Amro Bank 10	Robert Fraser & Ptrs 11
Henry Ansbachet 10	Grindlays Bank ±10
Associates Cap Corp 18	Guinness Mahon 19
Banco de Bilbao 16	Hambros Bank 18
Bank Hapoalim 10	Heritable & Gen. Trust 19
Bank Leumi (UK) 10	<ul> <li>Hill Samuel §19</li> </ul>
Bank Credit & Comm 18	C. Hoare & Co
Bank of Cyprus 19	Hongkong & Shanghai 10
Bank of Ireland	Knowsley & Co. Ltd 101/2
Bank of Scotland	Lloyds Bank 18
Banque Belge Ltd 19	Mase Westpac Ltd
Barclays Bank 10	Meghraj & Sons Ltd 10
Benchmark Trust Ltd. 10	Midland Bank 19
Beneficial Trust Ltd 11	• Morgan Grenfell 18
Berliner Bank AG 15	Mount Credit Corp. Ltd 16
Brit Bk of Mid East 16	National Bk of Knwait 10
Brown Shipley	National Girobank 19
CL Bank Nederland 10	National Westminster 16
Canada Permanent	Northern Bank Ltd 10
Cayzer Ltd 19	Norwich Gen. Trust
Cedar Holdings 11	PK Finans Intl (UK) 1814
Charterhouse Bank 19	Provincial Trust Ltd 11
Citibank NA 16	R. Raphael & Sons 10
Citibank Savings	Roxburghe Guarantee 11
City Merchants Bank 10	Royal Bank of Scotland 10
Clydesdale Bank 10	Royal Trust Co. Canada 19
Comm. Bk. N. East	Standard Chartered 19
Consolidated Credits 10	Trustee Savings Bank 18
Continental Trust Ltd 10	UDT Mortgage Express §19.9 United Bank of Kuwait 10
Co-operative Bank 10	United Mizrahi Bank 10
The Cyprus Popular Rk 19 Duncan Lawrie 10	Westpac Banking Corp 19
E. T. Trust	Whiteaway Laidlaw 101/2
Equatorial Tst Corp. plc 19	Yorkshire Rank
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work & 029/ Tee Tion C2 6004 o	Committee. * 7-day deposits 5.69%. 1- 1.3 months' notice 9.72%. At call when
670 0004 manufact department + Call	teposits £1,000 and over 64,% gross.
Mortgage have rate & Comer	id deposit 5.82%. Mortgage 11%.
I was about the late. A belling	- and and a section of the state 17.40

—2 rise of 70 since the beginning of last week. Shell raced up to close a further 27 higher at 930p and Royal Dutch added £1\(\frac{1}{2}\) at £60\(\frac{1}{2}\). Britoil were marked up to 138p at the outset but eventually settled a couple of pence firmer at 135p and Ultramar put on 5 to 146p. Among second-liners Caledonian Offshore advanced a further 10 to 105p—a two-day catedonian Unsaore advanced a further 10 to 105p—a two-day improvement of 20—ahead of the annual results scheduled for next Wednesday, while news that Hambros had increased its stake to 9.59 per cent boosted North Sea and General 4 to 28p. Dealers reported persistent demand for Sapphire Petroleum, 3† firmer at 22 p, and Exploration Company of Louisiana, 6 better at 42p, the latter on the company of the latter of the continuation of the contin further consideration of the recently announced results. Triton Europe continued their revival and jumped 8 more to

A much quieter session in mining markets followed the see-saw performance of precious metal prices. The latter came under pressure in New York late on Tuesday and gave ground during initial dealings in London before staging a good rally in the afternoon. Bullion dipped to around \$378 at the morning fixing in London but subsequently picked up to end the day at \$381—a net fall of \$1.375, while platinum dropped to \$578 prior to trading in the region of \$590 in the latter part of the session. Golds and Platinums were marked down at the outset of business and moved see-saw performance of precious the outset of business and moved narrowly until the early aftroom when minor support from the US and Johannesburg saw prices stage a modest recovery. At the close the majority of the leader were still charge wars and the close the majority of the sader were still charge wars. leaders were still showing small losses on balance and the Gold Mines index showed a 1.1 fall

Among Platinur, Rustenburg retreated 25 to 720p. Impala 15 to 725p and Lydenburg 10 to 620p. South African Financials were mixed. "Johnnies" jumped sharply increased preliminary profits and dividend. Anglo American Corporation, a major holder of "Johnnies" improved in sympathy to close 25 up at

The continued firmness of domestic equities helped UK-domiciled Financials make yesterday. Ocean Transport and Trading, a perennial takeover favourite, spurted to 238p before settling a net 17 higher at 235p following proposed offer terms from Mr Ron Brierley's IEP; Ocean's board has rejected the approach as "totally without merit" and "completely unacceptable." P & O, once regarded as a possible suitor for The continued firmness

108p. Awaiting further bid developments, Hargreaves improved to 272p before settling a couple of pence higher at 268p.

Jaguar, a depressed market of late as a number of brokers in downgraded needs a settline at 268p.

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Jaguar, a depressed market of late as a number of brokers in downgraded needs a settline at 268p.

Jaguar, a depressed market of late as a number of brokers in late at 3.30 pm. Total contracts struck amounted to 25,432—16,955 calls amounted to 25,432—16,955 calls and 487 puts. Of the expiring overnight positions, although contracts at 2,330 pm. Total contracts struck amounted to 25,432—16,955 calls am Lonrho contributed 795 calls and 848 puts. Elsewhere, Hanson Trust remained lively with 1,723 calls transacted. Boots and BP

EUROPEAN OPTIONS EXCHANGE 2 13.5 7 890A 20 370 13 276 27 7,466 PHILE. 6.50A 5.30 2.20 1.50 0.50 5.50 6 8.408 31.708 15.50 P.101.70 950. P. 77.28 F.159.20 FL77.20 FF.204-20 FE 55.30 911 6408 280 477 280 159 28 159 27 1050 27 420 2 420 2 420 1255 1,404 1110 12,80 1110 12,80 PL.Z.TO F1.177.40 FI.54.30

A-Ask 5-84

TRADITION	AL UPITURO
rst Last Last For real Deal Declars Settle ge ings tion ment g 18 Sept 5 Nev 20 Dec 1 pt 8 Sept 19 Dec 4 Dec 15 at 22 Oct 3 Dec 18 Dec 29 rate indications see end of Unit Trust Service loney was given for the call Barker and Debson, Raging perty Trust, Rowntree	Cair, United Scientific, Imperial Continental Saa, Pavion, West- wood Dawes, Premier Oil, Abace Investments, BSR and Ryman, No puts were reported, but

#### YESTERDAY'S ACTIVE STOCKS

Above everage ac	tivity <del>w</del>	s noted	in the following stocks yesterday.
Stock Brit Aerospace BP CI Jaguar Docan Transport	512 670 860 £104 815	change + 1 +13 + 04	Stock   Closing   Day's

TUESDAY'S ACTIVE STOCKS

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#### RISES AND FALLS

		-	~				
	Rises		Same	filese	Felis		
itish Funda	12	85	17	75	12	27	
rporations. Domin and Foreign Bonds	17	7	45	1	25	43	
dustrials	341	232	947.	. 316	270	937	
nancial and Properties	199	299	297	164	68	343	
<b>8</b>	33	-6	75	43	20	- 51	
entations	4	2	Š	7	2	- 5	
P66	44	47	94 55	92	21 59	5 72 64	
hers	110	. 12	65	82	- 59	64	
Totals	750	500	1,548	780	477	1,542	

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LON	DON	TRA	DED	OP1	IONS
CALLS	PU	TS	l —		

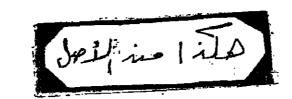
1			'	CALLS			PUTS	'			<u> </u>	CALLS			PUTS	
	Option		Ŗ	4	Ą.	Oct.	1	Apr.	Option		Aug.	Hipe.	4	A	Nev.	Feb.
	Affied Lyous (*396)	300 330 360	48 28 12	56 38. 20	70 52 30	12 27	7 15 30	35 78 10	Mikiand Bk (*599)	500 550 600	40 2 1	80 27 12	72	1 20 60	8 27 65	15 22 37
	8.P. (*663)	551 600 650	115 68 30	125 88 50	140 102 70	1 9 27	7 17 33	12 23 65	(-217) 6. % (7	500 500	15	57 30 12	72 43 23	1 12 42	17 47	10 25 50
	Cors. Gold (*499)	420 460 500 550	167 50 23 7	97 70 45	105 80 57	5 12 35 70	13 22 44	22 40 57	Racsi (*174)	160 180 200 500	1 1 110	24 13 8	18 12 130	28 28	30 4	9 17 30
	Courtacids (*261)	240 250 280	28 17 9	27 16	- 34 25	3 19 25	15 27	19 30	(*604) Vzel Reefs	550 660 650	60 10 10 14	75 45 24	85 60 35 18°2	3 47	12 28 62 2	22 45 82
	Com. Unice (*303)	280 300 330	12 2	71 TE SE	E84	4 12 35	6 15 36	9 20 38	(*\$63) Tr. 111,9% 1991	60 70	4 0%	972 4 211	ing -	. 72	51 <sub>2</sub>	XX
	Cable & Wire (*331)	300 325 350 375	40 20 6 3	50 25 25 11	55 50 55	5 12 30 50	10 25 27	17 30 45	(%108) Th.11%,% 03/07	108 110	23 04 04 34	战	<u>개</u>	04 04	12 24 12	18 3
	Distillers (*750)	600 650 700	175 125 80	=	111	112	=	=	(4119)	120 122 122	1½ 00, 02	荔	34 24	3	147.54	35. 44. 54.
	C.E.C.	180	12	20	26	7	8	12	Option	:-	Sep	Dec		Sep	Dec	Mar
	Grand Met.	200 220 360	2	10 4 53	16 	20 40	22 40 12	24	Beechan (*403)	360 990 420 460	48 29 9	33 35 11	67 47 20 20	4 a 2 S	7735	NUER
	(*385)	382 390 420	27 12	1 X X	47 —	14 40	25 43	30	Books (*210)	200 220 240 240	15 7 102	25 15	20.00	22.2	67 ? 18	19 22
	LC.I. (*1042)	900 950 1000 3050	139 139 159 159 159 159 159 159 159 159 159 15	网络农品	塔路	6 15 37	7 14 25	20 27 25	61K (~588)	280 300 307	16.	25 16	35 28 —	- 120	15 28	18 28
	Land Sec. (*323)	300 330 360	29 11 20 <sub>2</sub>	38 19 9	47 28 16	4 13 40	7 15 40	9	(*740)	700 750 860	58 20 6	75 45 25	<b>822</b>	* N3	<b>។</b> ន	กจร
	Marks & Spee. (*212)	180 200 220	36 17	42 Z	50 33 39	1½ 4 12	2 8 15	4 10 17	Blue Circle (*535)	500 550 600	98 10 4	33 30 15	72 42 22	<b>9</b> ,6	11 13 18	#¥3
	Shell Trans. (=923)	800 850 900	127 80 43	138 99 65	80 170 120	2 12 33	9 20 45	18 55 52	De Beers (*\$5,40)	550 600 650 700	105 45 15	130 90 55 33	ននស៊ីន៍	645c	1985	20 P
	Tratalgar House (*286)	260 280 300	33 20 7	第 岁 14	46 33 22	5 15 22	16 18 27	13 21 30	Db.cos (*372)	330 360 390	46 21 5	31 16	200	2 8 22	10	14 14
1	Option		Aug	Nov	Ē	Abs	Nov	Mar	EIOI (*267)	260	35	28	40	•	13	17
	Lenrie (*205)	182 200 218 220	23 5 0°2	22 15	31 22	04, 112 15	- 8 19	<u> </u>	Glass	280 300 339 900	3 64 100	17 8 4	200	888 30	<b>288</b>	27 57 57
	Option	236	Ass.	8 Nov.	Feb.	33 Asq.	35 Nov.	24  Feb.	(*982)	950 1000 1050	60 33 20	100 70 50	88 125 125 125 125 125 125 125 125 125 125	<b>808</b>	34795	138.2 138.2
	Brit Aero (*511)	460 500 550	50 11 1	67 40 16	82 60 30	1 1 43	6 22 50	13 25 52	Harmon (*195)	135 150 150 180	57 27 27	34,	37	1112	117	10
	BAT luds (*415)	360 370 420	60 30	67 45 22	80 55 35	02 02 5	5 12 23	9 18 28	Jagusy (**513)	460 500	3 55 25	70	)4 BB	19	77 20 20 20	12 CT
	Bercitys (*489)	460 420 450 500	70 30	7 47 22	- - - - - - - - - - - -	1 1 10	5	<u>-</u>	Thorn EMI (~467)	420 460	77 72 32 8	#5 #5 90	48.4 <b>68</b>	2.6	50 6 15	150 TA
	Brit. Telecom (*296)	180 200 220	20 02 02	25 13 6	32 19 9	04 4 24	32 12 26	35 15	Tesso (*405)	\$00 \$50	2	23 90	-	27 20 21	按	<b>8</b>
	Castery Schweppe (*172)	<del>-</del>	12 1	23 19	27 17 7	1 10 30	\$ 15 32	8 18 33		300 420	卷	90 40 25	75 52 53	23	26.23	SEE
	Imperial Gr. (*970)	300 330 360	75 45 15	12 22 27	Ξ	1 2	2 3 9		Option FT-SE 1525		1			4. Sec		1
	Ladiroke (*355)	300 330 360	58 29 1	65 38 18	75 47 27	1	3 8 20	5 11 22	Hadex   1950   (*1627)   1575   1600   1625   1660	100 80 80 80 80 80 80 80 80 80 80 80 80 8	翌	쌇	쌉	1 1 2 2	2	
	LASI40 (*130)	110 120 130	20 10 19 <sub>2</sub>	30 21 15	五五五五五五五五五五五五五五五五五五五五五五五五五五五五五五五五五五五五五五五	l į	10	10 14 20	1675 August 27, Yo	<u>  1</u>	36 34 100 1 25 100 1 100	35	-	2   2	1 42	

\$31 9.13 9.15 9.47 9.51 9.56 9.58 9.43 9.14 10.15 10.15 10.71 10.51 10.19 10.80 10.67 9.11 9.14 9.41 9.41 9.53 9.53 9.57 9.42 9.14 5 Coupons 122.72 -0.05 122.79 6 7 High 8 Cospors 9 141.29 -0.10 141.44 2 5-15 years. 9.17 149.46 | -0.09 | 149.60 | 9.05 3 Over 15 years... 164.77 | +0.02 | 164.73 | 8.55 9.76 5 All stocks 137.60 -0.08 137.72 3.45 3.48 2.14 3.32 3.48 3.49 2.16 3.32 0.0 0.0 0.0 113.37 +8.08 113.31 2.00 6 5 years... 11613 +0.13 |115.99 | 234 7 Over 5 years ... 115.61 +0.12 | 115.48 | 8 All stocks ... 10.05 10.27 10.31 10.10 10.29 10.33 11.49 11.36 11.24 9 Debestures & Leans | 120.89 +0.17 | 120.69 - 6.76

1 Low 2 Coupons 3

#Opening Index 1628.3; 10 am 1623.4; 11 am 1622.5; Noon 1621.9; 1 pm 1623.4; 2 pm 1623.9; 3 pm 1624.3; 3.30 pm 1626.5; 4 pm 1626.6

† Flat yield, Highs and lows record, base dates, values and constituent changes are published in Seturday issues. A new list of constituent is available from the Publishers, the Financial Times, Bracken House, Carnon Street, London EC4P 4BY, price 15p, by post 28p.



#### WORLD STOCK MARKETS

TRIA	_	GERMANY		NORWAY	ica : +	AUSTRALIA (c		-	JAPAN (continued)	
Aug. 27 Price Sch.	+ 0	Aug. 27	Price + or	Aug. 87 Kro	ice j + or	Aug. 27	Price Aust.S	+_or	Aug. 27 Yen	
t'net'it pp _ 2,300 tor	50	AEO	357.5	Bergens Bank 16 Borregaard 36	54 : -1 55	Gen. Prop. Trust	2.90	+ 0.02	MHI 638	-18 -40
rinfell 13,700 Journalever 19,400	T 200	BASF	2,515 2736 ±57	Denkorske Gred. 12	3305	Hardle (James) Hartogen Energy Harald WyTimes	3.6 1.90 6.28	0.03 0.08	Mitsul Bank	+10
Wethank 9 970	25.	Bayer-Hypo		Kosmos	14 +8.5	I IGI AUST	2.4U	_C.05	Mitsui Toatsu 388 Mitsukoshi 1,880 NGK Insulators 839	17 30
r Daimier 160	-6 -2	Declar-ActerD"	977   +7	I Wutanaman : 16	7.5. +5 7.5	Industrial Equity	0 23	+8.01	NGK Insulators 839	B
cher May 10,400	80	BHF.Bank	638.9 + 21.	Norsk Data 23	8 +8 5,5 +6,5	Kie Ore Gold Kidston Gold	71	-0,01	Nikko Sec	-10
LGIUM/LUXEMBO	I IPC	Brown Bovert Commerzbank Cont'i Gummi	351 +8 348 +5,8	Storebrand 25	11	Lend Lease Mim	6.6 1.80	+0.2 +0.05	Nippon Express_ 1,260 Nippon Gakki 1,700	50 .
Aug. 27   Price	1	Cont'l Gummi' Daimier-Benza	334.5 +0.5 1,317 +16			l Nat. Aust. Bank	5.32		Nippon Kogaku 919	: +50 . +4
Fra.	or	D'sche Saboock	458 —2 202 +5	SPAIN		News Nicholas Kiwi	23.2 3,8	<b>-0,1</b>	Nippon Kogaku 919 Nippon Kokan 290 Nippon Oli 1,080	-19 -10
.L 3,420	+ 20	Deutsche Bank.	847 . +4	Aug. 27 Pt	tes + or	Noranda Pacific North Bkn Hill	7.20	+0,04	Nippon Seiko 491 Nippon Shimpan 1,420 Nippon Steel 259	. 45
ng. Gen. Lux., 16,100 ng. Int.A.Lux., 16,000	+50	Dresdner Bank    Fold-Mushis Nibi	453 +2.1 309 +4			Oakbridge Pacific Duniop	0,81	-0.01 +0.02	Nippon Steel	-10 -10
tert	— <u>230</u>	Henkel	1960 - 50	I DCD Gentral 7	47 , +D	Pancontinental	2,40		Nippon Suisan 530 Nippon Yusen 533 Nissan Motor 690	-51: +21:
haire 3 150	T4	Hoeshat	279 +1.8	Boo Hispano 4	16 35 +3	Poseidon	3.98	-0.02	Nisshin Flour 830 Nomura 3,390	6
23	-10	Holzmann (P)	55A 1 E	Boo Sentander 7	860] —66 99_  +8_	Queensiand Coal Reckitt & Colman	6,10	+0.02 +0.44	Olympus	- 20
rique Nat 2,050		Hussei	656 +2 463 +5	Dragados	548 —10 9 —3	Repco	3.85	+0.05	Orient Finance 1,250	-40 -190
		K#UTNOTerriesan Ar	512 -2.5	iberduero	70   —1.5	Smith Howard Thos. Natwide	4,55 3,05	÷ 0.05	Orient Finance1,250 Orient Leasing3,950 Ploneer	_30
nert 5.890 boken 7,500	-10	Klosckner	82.7: +1.9	Petroleos	12 + 0.5 36,5, + 0,5	Tooth		+0,05	Ricoh 845 Sankyo 1,620 Sanwa Bank 1,440 Sanyo Elect 449	+10
790 dietbank 16,750	-10	Linde Lufthansa	768 +11			Western Mining]	3.43 4.58	-0.85 + 0.02	Sanwa Bank 1,440 Sanyo Elect 449 Sapporo 1,320	+25
1 MOICING11.350	+50	MAN Mannesmann	226 +1 195 +16	SWEDEN		Westpac Bank Woodskie Petroi.	0,96		Sapporo	30 -40
rofina	+ 120	Mercedes Hid Metaligesell	מו 'ממיו	1	ice + or	Woolworths Wormald Intl	5.10 4.08	-0.02	Sekisui House1,490 Seven Eleven 8,600 Sharp	1 + 30
. Gen. Belge. 3,000	+10	ionuonen kuleek:	2.810 16		NOT -				Shimizu Constn 730 Shlonogi 1,520 Shiseldo 2,070	. + 5 20
7,870 nwick inti 260	T 300	Nixdorf Porsche	1.078/ 11	AGA 21 Alfa-Laval B 34		HONG KONG			Shiseldo 2,070	-60
otloneL	±70	Preussag Rhein West Elect	176 +3.8 225.8 +4.3	I ASEA (Free)	io !	Atig. 27	Price		Showa Denko 365 Sony	1 -10 +50
3 8,970 gons Lits 8,950	+70 -50	Schering	601.5 +6.5	Astra (Free) 68 Atlas Copso 81	5 +1		H.K. 8		Sony	-120
		Thyseen	705.1 +1.5 162.2 +2.2	Celluipsa 28	15   18   +3	Bank East Asia Cathay Pacific	17.6 5.7	-0.3	S'tomo Elect 1,530	+30
NMARK	. '	Varta	369 +8	Ericason B 80	3 } 8 17 } 1	China Light	24.4 16.4	+0.2	S'tomo Metal 205	1 -7
Aug. 27 Price		V.E.W. Verein-West	163 17	Mo och Domeio 29	70 —3 76 —4	Evergo Hang Seng Bank.	0,5B 33,75		Taisho Marine 1,060 Talyo Kobe Bank 740 Takeda	1
Knr %	+0	Volkswagen	506,2, +2,2	Pharmacia	6 ' -1	Henderson Land	2,62: 16,1	+0.2		
letsbanken 302				Sandvik	2	HK Electric	9.68	+0.05	Teijin	1 —17 1 +60
tica Skand 510 Handels'nk 256	<u>3</u>	ITALY		1 SKF 32	3 -2	HK Land	6.35	+0.06	Tokal Bank 1,050	_20 ; _50
Sukkerfab 336 rske Bank 259	<u>~</u> ₹	Aug 200	Price + or	StoraKopparbrg., 52 Swedish Match 56	5 -2	HK Stenghal Bk., HK Telephone	11.7	+0.06 +0.2	Tokyo Elect Pwr. 6,540 Tokyo Gas 820	360
Danske Luft 1,370 t Asiatic 188	-20 +1		27.04-	-] Volvo B (Free) 40	15 + 28   11 :5	Hutchison Wpa	34.25 15.8	+0,3	Tokyu Corp	+50
t Asiatic	-20 +5	Banco Com'le Bastogl-IRBS Centrale	750' + 15			New World Dev	14,9	+0.05	1 OLEA *********** DAG	22
T Hid 395	<b>-</b> 5					Swire Pac A	14,1	+0.1	Toshiba Elect 682 Toyo Selkan 2 400	-13 -50
8.B	-5	Credito Italiano Flat General Assicur	15,000 +300	Aug. 27 Fr	ce + or	Winsor Inds	7,95 8,15		Toyota Motor 1,650 UBE inds 285 Victor 2,410	T 80
o Inda 243 athanken 241	+8	THICE THE PULL AND A PARTY OF THE PARTY OF T	170.08U + 3BL	17 a.u		World Int, Hidgs.		+ 0,02	victor	
vinsbanken, 310   kith (F.L.) B, 269	-3 -1	سے Rinascente ۔۔۔ Montedison ۔۔۔۔۔	1,259°+9   8,690°+140	Alusulase	605 -20	IAPAN			Yamaha	-10 +50
hus Berend 790 erfos 201		Onvetti	18.250 + 350	Brown Bover L. 1	885 +45 560 +60			+ or	Yamazaki	-70
		Pirelli Co	5.299	do, (Part Certa) 2,	550 +25 510 +35 800 +30	Aug. 27	Price Yen ,	`- <u>`</u>		
ANCE		Pirelii Spa Saipem Snia BPD Toro Assic,	6,020 + 180 26,495	Credit Sulssa 3,	440 +15	Alinomoto	.790	-10	SINGAPORE !	
Aug. 87 Price	+ or		,	Hoff-Roche PtCts, 109	810  ,875  +1,676	All Nippon Air] Alpa Electric	040	-10 +100	Aug. 27 Price	+ or
Fra.		NETHERLAND		Hoff-Roche 1/19 10,1 Jacobs Suchard . 8,	950 +50 550 +60	Asahi Ghem	860	-20 -20	Boustead Hidgs., 1.15	+0.03
prunt 44% 1973 1,575 prunt 7% 1875,7,800	+15 -50			Landia & Gyr 1.5	850! —85 900i	Benk Takva	AGE :	-23	Cold Storage 3.64 DBS	+0.12
07 478	+4 +5	Aug. 27	Price + or	Nestia 8,4	190 +40 765 —35	Bridgestons, Brother Inds Canon	600	+91	Genting 4.72	+0.12
grain 2,045 yguss 1,459   Gervals 4,200 Alcatel 2,190	-2		Fis	Pirel II	172: +7 Í	Casio Comp	270	+20	Haw Par. Bros 3.22 Hong Leong Fin 2.72	+0.02
yguse	+29	ACF Holding	350 i -3 103.7 +1.9	Sandoz (Br) 10,9 Sandoz (Pt Ots) 1,9	785 +15	Casio Comp Chugal Pharm Daiel	,230 1,560	_10	Inchcape Bnd 2.33 Keppel Corp 1.99	+0.85
Alcatel2,190	+100	Ahold	97.2 +2.2	Schindler (PtCts)	175 —10	Dei.ichi Ean. Rk.'1	700 :	-12	Malay Banking 4,22 Malay Utd. Ind 1,53	+0.2
refour	+10	AKZO	158.2 + 1.6 597   +4	Surveillance A 7,5 Swissair	100 —40 120: +20	Dai Nippon Ink Dai Nippon Ptg _ 1 Daiwa House 1 Daiwa Sec	.630	-20 -40	Multi Purpose, 0,44 OCBC 7,9	+0.02
Bancaire'1,565 imeg	+20	AMEV	77.2 +1.6 108.2 +0.9	Swiss Bank	120; +20 369: +9 200; +600	Dalwa Sec	170	+10	OUB 3.06 Public Bank 1.09	+0.03
nart2352 .	+32	Bredero Cert Bos Kalis Wastm.	840 +1 14.9 +0.1	Swiss Volkabk 2.t	535! +25 <b> </b>	Fansk	390	-70	Sime Darby 1,5	+0.05
ty	+40	Buehrmann Tet Calland Higs	224.5 + 3.5	Winterthur Inh 6,9	150 +75	Fuji Bank	690	-50	Singapore Air 7.55 Singapore Press. 8.35	-0.35
x (Cie Gen) 1,544 '	+9	Dordtsche Pet'm	192 + 1.5	Zurich ins, 7,8	900' +150	Fujisawa1	1.350 I	+70 -20	Straits Trdg 3,38 Tat Lee Bk, 2,89	+0.14
Aquitane 551 for	+20	Eisevier-NDU	238   +1 72.5; -0.3	ALIETO A- FA		Fujitsu1 Fijrukawa Elect	572	-20 +3	UOB	-0.05
tal	+0.2	Gist Brecades	53.3 + 1.6 186 : +2.5	AUSTRALIA		Firukawa Elect. Green Cross 2 Helwa Real Est 1	.320 .220	+50 -50	SOUTH AFRICA	
rge Coppee, 1,440 real	+15	Hoogevens	72.7 +2.2	Aug. 27 Aug	0e + or	Hitachi1 Hitachi Credit 8	.040	-20 -60	Aug. 27 Rand	+ or
and 4,510	-70 +14	int, Meseller	63.9: +0.8 76.5	ACI Intl		Honda1 Indl. Bk. Jacan 2	,160 ,230	-10	<del></del>	<del> </del>
ons Phoenix 195 ra S.A	+74 +75	KLMKNP	43.5 +0.2 162.5 —8.5	Adetalde Steams 11	.5 , +0.3	ishikawalimahr. Isuzu Motor	435	-34	Abercom 2.60 AE&Cl	P-H
(Cle) 1,752	+22	Naarden	91.5 +1.2 87.8 +0.5	Amcor	20 ( + 0.08 i	Itoh (C)[	918 l	+81	Allied Tech	-0.25
	+24 +3.0	Ned Mid Bank Nedlloyd	87.8 +0.5 826.5 +4.5 177.4 -0.1	Ampol Pet 2.1 Ashton 2.5	£	ito Yokado4	0.000.		Anglo Am. Corp  63,75 Anglo Am. Gold  325	Q.25
linex	+26	Coe Grinten	540 +6 38.7; -0.6	Ashton	XO -0.1	Jusco1 Kajima1	290	+100	Barclays Bank 21,5 Barlow Rand 19,05	
ior	+20	Ommeren (Van) Pakhoed	64,6; —0,9	t Bell Groupi10.t	15 : + O.E5 I	Kajima1 Kao Corp1 Kawasaki Steel	550 268	-80 F	Buffels 105	+1,5
1997 / June 1997 / June 1997 /	+30:	Philips	95.8 +0.5	Bell Res	10.09	KINT	,600 (	-20 j	Ourrie Finance 4.0	0.05
temps (Au.) 646   to tech 992	+0 ]	ROCEMCO	183.6: +0.2	Bougainville 2.5 Brambjes (pds 5.1	5 I + 0,05 I	Kobe Steel	515	+7 ]	De Beers	+0.25
oute 2,075	+45	Rolinco	50.4 +0.2	Bridge Ol 0.8	0 !	Konishiroku		-23 l	F. S. Cons	
meg		Royal Duter	208.5 +4.7 518.5 +8.6	BHP	0 (+0.20	Kumagal 3.	898 1 750 I	+18	Highvelp Steel 6.9 Malcor	+0.05
mec Elect 3,320	+69	YMF Stork	343 -3	CRA 6.0	0 + +0.10	Marubeni	548	-13 I	Nedbank 5.6	0,05
meo Elect 3,320 meon (CSF) 1,750 10541	+ 70 1	Wesranen Wes: Utr Bank	78.5   -0.5 50	Chase Corp	xe +0.16	Mazda Motors	409	+9	Rembrandt	+0.5
				Chase Corp	8 -0.28	Melja Soika MIE	600	+4	Rust Plat	+0,25
NOTES Prices on 1	h)s pec	no beroud es ers	the jedividual	Consolidated Petr 0.1	4 3000	M'bishi Bank 1	.700	-32	\$age Hidgs 9.8 \$A Brews 13	
	traded	prices. \$ Desiling	s suspended.	Costain Aust: 2.4 Elders IXL 5.0	0 +0.02	M'bishi Corp 1 M'bishi Elect M'bishi Estate 2	,290 514	+70 -6	Smith (CG)	
engen and am force z divident en force				Da-		arhisti Estate 2	.270	-40 I	1	i
NOTES Prices on t angés and are tast c dividend. xc Ec scr roner.	h leses			Energ Res,	- 1 -0.01				-	•

<b>OVER-THE-COUNTER</b>	Nasdao national morket closing prices
OVER-IME-COUNTER	Nasdaq national market, closing prices

	Stock Sales High Low Last Chang (Made)	Stock Sales High Law Last Chag (Houts)	Stock Sales High Low Lest Ching (Hods)	Stock Gates High Low Luct Chag (Hods)
-	Continued from Page 31 NewsP\$2.35 12 51 36 374 375	RadSys 12 321 107g 105g 103q Radfor 175 54 5 51g Radion 21 259 10 93g 10 + 1g	Skzzier 22 907 2634 2614 2612	UACms 64 37 2989 1778 1758 1778 + 14 UBAriz 72 15 53 3112 3112 3112 18 UBAisk 1 5 418 378 378
_	NovaPt: 1436 171, 151, 187a	Ragen 39 3 2% 278	Society 1.82 10 352 644 634 644 +1 SoctySs 13 78 2412 2312 2312 - 12	UBCot 1.08 9 261 303, 301, 305, 1 1, 1 UFnGrp 10 198 31, 3 31, 1
	Novella 54 24 326 424 404 424 4 Numres 56 11 97 204 20 20	ReyEn 24 11 8 224 224 224 - 4	Someth 12 5% 5% 5% 5% - % i	UFetFd 20 12 141 u371, 38% 371s + %
	NoMed 67 173 by 8 8	Readen 23 22 261, 261, 261,	SonocP .80 80 3912 39 3912 + 14	UPresd 11 118 u161, 151, 16 ÷ %
	O O Occurrer 37 1% 1% 1%	Recotn 16 164 1014 914 914 - 14	SCarNt 96 16 124 5112 5012 51 SmoFn .52 43 16 1514 1514	US Ant 277 2 5-16 2 3-18 2 3-16 - 1-1 US 8cp 1 12 291 383 <sub>8</sub> 377 <sub>8</sub> 383 <sub>8</sub> + 7 <sub>4</sub>
	Oceaner ST 13g 13g 13g Oceaner ST 12g 5 55g 57g OgilGps 80 15 718 30 2912 297g + 3g	Reboks 14 3726 2414 2315 2334 - 14	Soutret .68 11 170 254 231, 231,	US Cap 230 2 13-16 21, 23,
	OhoCa 3 12 127 7915 7815 7814 +1	Receives 663 97 55 97 + 14 Receives 20 57 57 55 55 54	Sovran 1.36 11 716 39% 38% 39	USDegn 12 13, 15, 15, 15, 15, 15, 15, 15, 15, 15, 15
	OldKnt 1.10 16 215 38 384 884 - 4 OldRep 78 11 239 885 374 38 + 12	Regiss .18 19 45 14 14 14 14 RpAuto .04j 304 8 734 8 - 19	Specifys 25 371 19 18 <sup>1</sup> 4 18 <sup>1</sup> 4 18 <sup>1</sup> 4 Specifys 167 6 5½ 5½ - ½	USShelt .12 518 31g 27g 31g US Sur .40 26 1581 245g 241 <sub>2</sub> 245g + 1g
	OktSpiC2.80 2 205g 205g - 1g OneBox 30 11 455 23 22 23 + 15	Reulari 150 150 20 160 161 161 + 4	SpacCai .07 23 120 13 12% 13 + 1 Solve 29 6 12 11/a 12	US Sur .40 25 1581 2452 2412 2454 + 14 US Tre 1.32 14 41 5834 5814 5824 + 15 UStato .24 16 96 1612 1614 1612
	OnLine 18 39 113, 111, 113, + 4	! RevPus. 70 15 290 39 3RL 38L ~ L	StarSur 297 20 121 117 117 - 14	UnTeley 32 31 361 <sub>2</sub> 36 38
•	DottoR 14 654 183, 16 187, - 19	Rhodes 32 15 48 25 25 25 25 - 13 Relitm 319 85 81 81 84 1	StafBid .20 209 95g 97g 97g - 1g   Standy 1.08 13 104 4074 4074 4074 + 1g	UnvFm 18 131 3015 30 3014 + 15
	Oracle 35 180 151, 141, 151, + 3, Orbanc 18 535, 135, 135,	Richel 24 35 16 173, 18 + 12 RigaNa 1.10 11 19 3512 3478 35	Statifies 72 15 26 38 374 375 - 5	Umylin 13 4362 1612 1614 1614 14 UFSBk 30e 15 1434 1434 1434 + 18
'	.Orbit 17 223 113, 115, 114 + 3	HondSv1.10 19 1375 3712 37 3716 + 16	Stantum 1.68 11 82 4812 48 4514 + 14	Uscar .36 14 92 75 <sub>8</sub> 73 <sub>8</sub> 73 <sub>9</sub>
	OateBA 41 33 26 59 584 584 - 4	RobNop .06 13 12 12 12 - 14 RobNon 347 45 45 45 45 19 1	State G .050 6 286 6 574 574 - 14	V V V⊔ 152 57 <sub>8</sub> 53, 57 <sub>1</sub> + 3 <sub>9</sub>
	Oshman 20 11 14 1414 1334 1334 1 14 Otto TP 2.84 18 32 4712 47 47 - 12	RorCmB 234 1714 1712 1712 14 RossStr 240 1014 10 1018 - 18	Stewart 1473 1124 010 1012 - 14 1 Stewart 172 14 108 2024 20 2029 - 13	VLSI 2311 1112 1012 1114 + 18 VMX 295 317 318 314 + 18
	OwnExp 565 612 618 612 + 14 OwnNis 50 14 459 1518 1434 1518 + 38	Rouses ,60 80 1416 311, 301, 302, - 38	State 10 224 9 <sup>2</sup> 8 9 9 <sup>1</sup> 8 Stratus 37 3406 22 <sup>1</sup> 2 21 <sup>3</sup> 4 22 <sup>1</sup> 4 + <sup>3</sup> 4	VSE 20 8 19 14½ 13¾ 14¼ ~ ¼
	PQ	RoutRe 43 20 3 27 3		ValFSL 1 9 13 273, 273, 273,
	PNC 1.52 11 829 42 453, 46 + 1 <sub>2</sub> Pacer 1.49 18 309 461, 461 <sub>2</sub> 461 <sub>2</sub> - 1 <sub>4</sub> PacPut 188 306 19 183, 163, + 1 <sub>4</sub>	RussPei 17 49 634 659 659 6 6	Suctatrus 16,13,16 29 <sup>1</sup> 4 28 <sup>1</sup> 4 29 + 1,7	ValNBs1.20 16 44 53 51 51 -3 ValNb 1.32 10 x88 455 451, 451,
	Process 488 398 19 183 183 + 12 Protests AG 16 42 18 154 154 - 4	S S	Summa 68 3's 3 3's+1-11 Summit 12 27 591 7's 6'2 7's+2's	Valla ,40 20 x7 2112 21 21 Vanzeti 21 318 278 278 - 18
	PacoPh 19 100 184 184 185 + 4	SCI Sy 16 349 17 1679 1579 7	SunCat 24 1251 413 378 4 + 14 1 SunMed 24 23 1112 11 1112 + 12 1	Ventrex 415 458 43, 458 + 14 Vicorp .12e 650 17 1612 17 + 14
	ParkOn 20 55 7 6% 6%	SEE 28 239 201, 184, 181, - 4 SEE 291 34 d 34 34 - 4	Surfrests 1 12 217 33 313, 33 + 3, 1	ViedeFr.229 13 259 61≱ B 6 − 1 <sub>8</sub> 1
	Patnifit 35 47g 48g 47g 4 g Paulitr 48 752 173 17 177g + 5g	SHLSy 1438 181, 181, 181, 181, 181, 121, Safects 24 34 896 321, 321, 321, 321, 1	SymbT 42 226 1312 1333 1334	Viking 16 31 16 171 <sub>2</sub> 171 <sub>2</sub> Viratios 686 58 52 57 +4
	Payers 46 37 224 224 224 + 4 PeakHC 30 12 145 145 145	Salaco 1.70 10 529 6214 8148 6215 + 12 Santilla: 19 624 7 6 7 + 4	Syntach 59 1334 1358 - 18	Vodavi 20 417 678 612 612 - 18 Voltint 85 20 1912 1912
	PegGtd 429 81, 8 83-16 1-14	St.tude 26 1251 3212 31 3134 + 14	Syscons 20 15 134 153, 151, 155, + 1	W W
	Penbos 1.20 15 180 5114 50% 50% 12 PenaEs2.20 9 33 39 38 38 +1	StPaula 1.50 16 4663 415, 40 415 + 114 SafCot 11 490 95, 84 65, 76	SyAsoc 292 7½ 67g 7½ 1 1c Systin 68 170 61g 6 61g + 1g	WD 40 1.12 16 1436 2538 2434 2514 14 Welloro .32 16 48 2334 2314 2334 33
	Pentair 68 10 4811 231, 211, 231, 111, PeopEr 10; 10345 51, 41, 41, 41, 41,	SanBar 12 64 65 65 + 16 SovnFa.88a 11 11 265 26 26 - 2	Sysinto 16 41 12% 12% 12% 12% - %	W9uTei 47 125 51s E β1s
,	PeopEx 10; 10946 51; 41; 41; 42; 7; Petrite 7:12 14 18 241; 24 241; + 1; Plumot 177 133; 13 13 - 1;	ScanOp 14 308 812 818 834 1 14 ScanTrs 22 160 1818 1734 18 - 14	TT	WahE 1.64 13 139 2614 2712 2713 + 16 WFSL .80 9 234 3914 3914 3914 12 WMSBs .40 8 1547 2218 2112 2214 + 114
	Phones: He 306 237, 234, 234, - 4	Scherer 32 196 2012 20 20 - 4		Wavetk 3 715 715 715 - 1₄
	PhoxAm 11 55, 54, 34 - 4	SchimA .44 18 18 40 3612 3612 Schlie 45 35 514 5 5 4	TacViv 181 25 25 23 + 19	Webb .40 25 3099 151 16 161 + 1 Westen 15 15 151 51 51
	PicCate 48 19 62 244 244 264 - 2	Scott 120 45 41 44 + 6 Science 12 45 41 41 - 4	Tendon 1256 312 314 315	WatFSL 10 216 19 185g 185g − 3g WathPb 220 135g 151g 131g
	Pleast 12 130 8 71- 71- 4	ScripH .80 30 124 8012 79 80	Tecum3.200 12 11 118 116 118 + 119 1	Whitia 11 211 20 19 1912 - 34 WmorC 60 8 108 2414 2334 24
	Porols 41 6 d 5% 5% - % Playing 22 760 1712 17 1714 - 14	Seagate 12 8630 13% 13% 13% 13% 15% 15% 15% 15% 15% 15% 15% 15% 15% 15	Telco 13 555 79 7 79 + 4 7 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Water 1.04 15 x 118 424 429 429 4219
	Porex 41 52 3014 30 3014 + 14 Powell 3 2 174 2	Sectag 1079 112 12 112 + 8	T-1 05 BD 005 40 BC4 304 + 1	Wicat 400 33₄ 31₂ 35₅ - 1₄ 1
•	Powric 13 20 111 103 104 - 4	Serbel 80 3 1 1434 d1434 1434 - 4	Telvid 674 3 24 3 + 12	WillAL 31 439 254 25 25 - 14
	ProdLg 105 150 125 125 125	Remice 90 814 614 614 + 14	Telxons 36 423 2634 2619 2617	WilmTr1.20 14 65 48 48 48 -1
:	Priem 2411 312 314 315 +5-11 PriceCa 31 1715 3712 3674 3714 - 14	Sensor .05 2815 107s 105s 105s - 1s SycMer .08 7178 10 912 97s + 1s	TherPr 82 314 318 314 - 14	Wilson
	Principle 38 457 40, 45 45 45 18 Private 137 141, 131, 14	Service 15 22 21 20 20 - 4	Through 76 13 157 3614 30 304 7 4 1	WilsnF 439 1034 1035 + 14 1 Windmer 541 65g 61; 61; 61; 45; Windmer 541 65g 61; 61; 61; 42; 43; 142; 43; 143; 43; 143; 43; 143; 43; 143; 43; 143; 43; 143; 43; 143; 1
•	ProsCo 16 50 41 41 41 41 ProgCo 06 17 50 38 571 38 + 4	SycFret 20 2 11-16 2 11-16 2 11-16 - 1	Thought 236 4 34 375 18 1	Worthes 48 17 616 2614 2512 2612 - 14 Writer 15e 26 4 712 713 713
	Propert 120 11 146 105, 101, 101, 101, 1	ShrMed 60 20 321 357 3514 3514 - 51	77 44 667 791,	Wyman 80 34 163 1612 1612 - 14
•	Prof. 5 70 12 143 224 227 227 Prof. 6 84 8 277 246 246 247 1	Sheimit 1.84 10 315 323 513 52 - 4 Sheibye .16 16 300 1714 7614 1614 - 34	TriStar 184 70 1112 1714 1112 + 14	X Y Z xebec 136 2 7-16 2 5-16 23 <sub>3</sub>
	Phritiss .20 25 17 24 24 24 CMS 19 432 131 131 131 131 131 131 131	Sheldi 6 45 75, 71, 73, Shoneys 32 995 297, 285, 293,	True to 48 20 1 27% 27% 27%	Nicor 579 614 8 6 Xicor 37 1630 187 <sub>6</sub> 181 <sub>2</sub> 181 <sub>2</sub>
:	OutsiCh 42 19 4 131 137 137 2	Siomas 24 15 55 34% 341- 341- 12	29Cntres 25 181 1914 1916 1916 1 15 Tysons .04 25 3588 2734 2512 27 +112	Ylowfs 62 15 424 3514 35 3518
	Quentus 9 35 173 174 174 4 4 Quentus 71 000 36 39 39 16 4 4	Silicon 90 35g 35g 35g 16 SiliconS 240 121g 113g 121g + 1g	U_U	Ziegler 48s 9 2 173, 171, 173, + 1,
•	Outstees 41 132 11 1012 11 + 14 Outstee 29 200 183, 184, 184,	Silicitati 20 156 121, 113, 121, 1 12 Silicitati 20 217 141, 14 141,	UTL 19 221 1834 1914 1834 + 12	Zitel 1 374 314 374
	RR	Silter 581 64 63 64 + 1	Unifis 14 588 145, 141, 141, 141, 141	Ziyad 39 295 4 33 37 Zondvn 85 74 2112 2113 2114 - 15
•	RAX .016 25 7 55 55 55 2 RPM 62 18 882 1912 1914 1914 - 14	Supplies .58 10 145 15 144 147 14 15 Supplies 23 105 1314 124 1314	UmNati 114 14 40 4034 393, 40 - 12 [	Zymos 38 2½ 2½ 2½ - ½.

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BELGIUM & LUXEMBOURG

#### ANADA

Sales	Steck	High	Low	Class	Ching	Sales	Stock	High	Law	(Jesse	Chag	Sales	Stack	High	Low	Close	Chag	Sales	Stock	High	1,aw	Cons	Chang
•	TOR	ON	TO		•	200	Computtog	<b>55</b>	5_	5	-30	300	Kiena Gld	\$24	2319	233-5	-14	42090	Aoyex	330	310	330	+ 1
[	Closina pr			st 27		22600 1325	Comserm	305 155	300 151	300 151	-5	142063	Labati LL Lac	\$25 \$244	241	243 237	+ 5	10197	SHL Syst Stl. CemA I	\$26 519	251 <sub>8</sub> 1834	26 19	+1,
88839	AMCA Int	\$1376	135	1372	+ 18	6662 14525	Con Bath /	\$25 58%	243 <sub>4</sub> 61 <sub>2</sub>	243 <sub>4</sub>	- 14	300	Lacana Laidlew A	255,1°	91 22	91 <sub>8</sub> 222	•	3000	Sceptre	255	255	255	-5
1500 5082	Aberlord Abibbi Pr	460 \$223	480 22	480 221 <sub>2</sub>	+35	6050	Cons Gas	528%	2814	283	+ 12	17700 84775	Laidle B f	\$217g	2112	229g 2117	- %	950 1960	Scot Paper Scotts 1	\$171 <sub>4</sub> \$363 <sub>4</sub>	17 385e	17°4 38-a	- 10 - 10
3400	Ackiends	\$187g	197,	197	+ 78	7181	Con Glass ÇTL Bank	522% \$11%		22% 11%	- S	7000 16150	Leigh Inst Lobiaw Co	553g	51 <sub>4</sub> 117 <sub>8</sub>	53 <sub>8</sub>		1000	Scotte C	S383 <sub>4</sub>	385 <sub>8</sub> 385 <sub>8</sub>	36 g	-9
8247 28727	Agnico E Albria En	\$26 \$124	197, 253, 113,	25% 12	+ 14	1100	Conwel B	\$74	75	734	_	1690	Lumonics	\$123	1212	1212	-14	23124	Seagram Sears Can	\$84% \$133 <sub>8</sub>	121	1214	+ 1/4
15831	A Alexan	\$425	423g 123g	4212	-16	3544 2728	Corby C Falcon C	\$21 : \$153 <sub>4</sub>	201 <sub>4</sub>	21 153 <sub>4</sub>	+ 14	23200 5800	MICC Molen H X	581 <sub>8</sub> 5191 <sub>2</sub>	73,	7). 101	-3g	36400	Şeliziri A ( 7 Smell Can	\$251 <sub>6</sub>	23.	253 <sub>4</sub>	+ 3
20026 23600		\$13 ` \$8	A3.	13 67 <sub>6</sub>	+ %	5200 400	Coseka R Costain Ltd	105 \$133	100 131 <sub>2</sub>	100 131 <sub>2</sub>	+4 -3 <sub>2</sub>	1700	McIn HY f	\$17	175	175	-14	5200	Sherritt	56%	81.	614	
6560 600	Algo I f	\$81 <sub>4</sub> \$213 <sub>8</sub>	81g 215g	814 215 <sub>8</sub>	÷\$	5200	Crowns	\$263,	2817	2817	_	52633 18670	Macmilan Magna A i	5387 <sub>8</sub> \$357 <sub>8</sub>	38\ <sub>4</sub> 355 <sub>8</sub>	381. 351.	- 1 <sub>8</sub>	1100 6200	Sigma Southm	\$11 \$22%	221 <sub>4</sub>	11 224	
2380	BC Sugar A BGA A	\$85	8 -	8 -	-	84497 35300	Crownx A (		1134	11%	- 12 - 18	3233 35800	Mantime I Mori Res	\$161 <sub>8</sub> 325	16 315	16 325	+5	4692 25500	Spar Aero ( Steinbo A (	5271	27	27	- 12
220 100	SP Cenada Banister C	\$30° <sub>6</sub>	307g 814	307a 914	7.18	6400	Denison B	1 55%	55g 555 335	5% 5% 335	+ 1	44825	Mittel Corp	\$81a	578	6	- 12	63992	Stelco A	\$21%	41 21	41 211 <sub>2</sub>	+17
79377	Bk BCol	296	275	293	+ 19 + 19	2800 1200	Develon Dickren A	355 S81	335 85a	335 85 <sub>4</sub>	- 1 <sub>8</sub>	5700	Moriet Moison Af	\$141 <sub>4</sub> \$253 <sub>4</sub>	14 243	14 25	- 14 - 11	21500 2151	Sulptro Teck B 1	58 \$291 <sub>2</sub>	53	53	+1
	1 Bk Mont) Bk NScot	\$321 <sub>4</sub> \$154 <sub>8</sub>	311 <u>4</u> 153 <sub>8</sub>	317 <sub>8</sub> 151 <sub>2</sub>	-14	1300 50861	Dicknan B	384 \$24 k	55g 65g 233g	84 84 237	- jě	200	Moneco A (	425	425	425	•	200	Tele Mat	<b>535</b>	35	23'2 35	- 15
78258	Belf Can	\$391 <sub>2</sub> 265	391	39°s	- 1	17600	Dome Mine	59 lg	8re	9	* 8	3300 33850	M Trusco Moore	\$113 <sub>2</sub> \$33	32	111 <sub>2</sub>	-14 -14	?1171 83570	Terra Mn Texaco Can	240 \$28%	225 277	225 284	- 15 + 1 <sub>0</sub>
2200 6501	Bhuesky Bonanza A	150	265 135	265 150	-2 +15	71323 7200	Dome Pete D Textie	130 \$20	128 20	128 20		500	Murphy	\$1812	1817	1872	+ 5		Thom N A	\$301	30 `	3014	+ 1
221622 22780	2 Bow Valy Bratoma	\$113 <sub>8</sub>	114 145	11½ 145	+ 14 - 6	28802	Domtar	532°e	311-	32%	+1	53027 1300	Net Sk Cen Ni Ve Trop		261 <sub>7</sub> 251 <sub>4</sub>	264 254	+ 14	10605	Tor Dm Blk Tor Sun	\$233 <sub>4</sub> \$29	2274 2817	23	+1 <sub>6</sub> +5 <sub>9</sub>
800	Bramalea	\$217,	2112	2172	+14	3800	Donohue Du Pont A	\$2512 \$3414	251 <sub>4</sub>	251 <sub>2</sub>	- ¼ + 5	2100	NA CapA	59 518%	9 183a	9 187		26380 8040	Torstar B. 1 Total Pet	2303°	3075	30	- 33
45717 14600		\$277	271 <u>.</u> 53 <sub>8</sub>	273 <sub>8</sub> 53 <sub>8</sub>	-30 -10	59970		\$167 <sub>8</sub>	153e	1612	-34	4580 139419	Nfid LP A Noranda	\$184	1814	180	+ 1 <sub>8</sub> + 3 <sub>8</sub>	1582	Traders A f		2615 50	26°a 50°a	+ 1g + 1g
209474	BC ForP	\$135	13%	1312	+3,	35652 550	Echo Bay	\$273 <sub>6</sub> \$307 <sub>2</sub>	3012	وا 27 دا 30	-16	3140 6006	Norcen	\$137g \$1314	135 13	137	+3	113	TrCan R A	112 ` 515	112 14%	112	•
29135 79145		128 528	121 275a	125 271	+%	2300	Equity Svr 0 PCA Intl	480 -	455 203,	456	-30	7953	Noren ord 1 NC Oils	510	10	10	+ 16	60873	TrnAlta UA	\$29%	287	15 29	+ 18
106	Brunswk	\$127a	127	127	+ 1/4	66002		\$21 \$177a	20% 17%	21 1734	- 14	24946 3700	Nor Tel Northeat	\$41 % \$514	404s	405g 5%	- 14 - 18	7473G 2680	TrCan PL Triion A	\$171 <sub>2</sub> \$331 <sub>4</sub>	1714 33	173 <sub>8</sub> 33	- 1a
21550 4100	CAE CCL B (	\$107g \$177g	10% 17%	103 <sub>4</sub> 177 <sub>8</sub>	- %	8210	Fed Ind A	\$15	175 <sub>8</sub> 153	157	-18	52830	Nva AltA i	55 h	5	51a	+ 16	4204	Trimac	255	255	255	-
10800	CIL	\$263	2614	2614	- 14	300	Fed Pion Flaning A	\$294 \$16	291 <sub>8</sub>	291 <sub>8</sub> 16	+12	1020	Nowsco W Nu West	511 31	11 31	11 31	+ 1 <sub>8</sub>	2800 100	Trinity Res Trizec B	57 5321 <sub>7</sub>	57 321 <sub>2</sub>	57 321 <sub>2</sub>	-3 +4
39563 1300	Cad Frv Cambrido	\$331 <sub>9</sub>	323 <sub>2</sub>	327 <sub>8</sub> 243 <sub>4</sub>	+3	3300 1130	FCrty File Gandelf	\$131	1334	1312	+ 1g + 1g	159410	Numac	\$91	9%	91 <sub>8</sub> 255	~ 1 <sub>R</sub>	2250	Ulater P	136	136	136	-
29956	Camp RLk	\$25%	25`	25%	+4	8092	Geac Comp	55	812 480	8º4 5	+ 14	2900 6200	Oskwood Ocelol B I	260 300	250 295	255 295	5 + 10	2200 5738	Un Carbid U Enterise	5141 <u>-</u> 5113 <sub>8</sub>	1114	141	+ 'e - 'a
3024 2350	Camp Res Camp Soup	190 \$331 <sub>4</sub>	190 331,	190 3314	-5 + \	35700	Gendis A Giant Yk	\$191 <sub>2</sub> \$201 <sub>2</sub>	19 201 <sub>7</sub>	19	- ,9	4400	Omega Hyd	480	475	480		11000	U Canso	70	65	70	+5
10200	Campeau 1	\$2B1	2812	285	+14	8200	Gibritar	581.	8าฐ ั	20½		69470 50155	Oshawa A 1 PacW Airi	\$22 \$18%	211 <sub>2</sub> 181 <sub>8</sub>	217 <sub>8</sub>	+ 3 <sub>0</sub>		שמופת פחוום	OF 1	restrict	DO YOU	ung .
8405 3357	CCem ex p	5147g 587g	14	141 <u>1</u> 61 <sub>8</sub>	- 18 - 18	88836 34150		\$71 <sub>2</sub> \$173	73) 171-	712	-30	35460	Pourin A (	\$143	1474	143	+4	nghis	•				
200	Can Meli	\$1814	1814	1814		300	Gt Pacific	\$421	421	4212	+5	850 2515	Pamour PanCan P	\$11 \$264	11 261 <sub>4</sub>	11 261	-15 +12	l					
65668 1000	C Nor West C Packrs	\$153 <sub>4</sub> \$167 <sub>8</sub>	15 165 <sub>8</sub>	151 <sub>2</sub> 167 <sub>8</sub>	+5	401 7608	Greytind GuarPA f	527 \$123	263 <sub>1</sub> 121	263 <sub>4</sub> 127 <sub>2</sub>	- 12	4327	Pegasus	\$1112	11%	1112		l	MON	ומדו	GAI		
3000	CS Pete (	450	450	450		19099	Gulf Can	\$147	145	147	+ 14	10493	Pembina	\$1412	1412	141		<b>!</b>					
900 100	Can Trust Cdn GE	\$48 994	48 94	48 94	+1 -2	2170 1674	Hawker Hayes D	\$28 \$14	273, 131 <sub>2</sub>	273 <sub>4</sub> 131 <sub>2</sub>	- 12	1800 750	Pjewi A f Pine Poini	\$121 <sub>2</sub> \$95 <sub>8</sub>	1212	1212 91 <sub>2</sub>	-6	ļ	Closing pr	ices v	iugus	IL 21	
46	CG invest	\$5412	54½ 173	5412	-	23450	Hees inti	\$3412	34	342	+ 5	97715	Placer D	\$261 <sub>2</sub>	917 <sup>2</sup>	263	+5	98342	Bank Mont	\$32 <sub>14</sub>	3174	3134	- <b>%</b>
7100	CI Bk Com	\$177 <sub>8</sub> \$267 <sub>8</sub>	1/4 285	173 <sub>4</sub> 263,	+74	73350 4357	H BayMn s H Bay Co	\$61 <sub>4</sub>	6 261 <sub>2</sub>	61g 261g	- 18 + 19	25350 28490	Poco Pet Powr Cor f	\$164	81 <u>.</u> 165a	83 <sub>9</sub> 165 <sub>9</sub>	+ 1 <sub>8</sub> - 1 <sub>8</sub>	2458 41655	BombrdrA BombrdrB	\$27 \$271	26	27 27	+ 17
37398	C Occental	S191 <sub>2</sub>	187	1914	+ 5	73200	Husky Oil	58%	87a -	2234 2234	+16	3000	Precamb	350	345	350	+ 10	193656		\$17	257g 163 <sub>4</sub>	17	+ 4
215752 37771	CTire A 1	\$15% \$13%	145g 135g	143 <sub>4</sub> 135 <sub>8</sub>	- 14	B4889	Imasco Simo Oil A	\$34\ \$443	3374		- 14	3950 29700	Provigo Que Stura	\$19 <b>\$</b> 5	181 <sub>2</sub> 485	19 5	+ 5g	3950	ConBath	525 h	24	25'	+1
6101	CUM A 1	\$191	1918	1214	+12	18921	yuco Arubi Oriv	\$17	431 <sub>7</sub> 163 <sub>8</sub>	44 I <sub>4</sub> 163 <sub>4</sub>	+ 10	500	Cuebecor	\$163	163	1638	+15	3694 6244	DomřalA Mntřest	\$20 \$11%	193 <sub>4</sub>	20 112a	- 1 <sub>6</sub>
2500 300	CUbi B Cantor	\$191 <sub>4</sub> \$133 <sub>4</sub>	191 <sub>4</sub> 133 <sub>4</sub>	191 <sub>4</sub> 133 <sub>4</sub>		4404 1101	Inda)	\$143	14	143g	+3	11100 2960	Ranger Rayrock f	\$53 <sub>4</sub> \$61 <sub>2</sub>	55g	574 638	+ 14	44800	NatBk Cda	\$257	2612	26	+ 16
1827	Canron A	\$18	173	18		2700	inland Gas Innopac	\$125 \$18	12 <sup>1</sup> 2	121 <sub>2</sub> 173 <sub>4</sub>		6075	Redpath	\$247	2417	2412	- 5	5665 26207	Noverco Power Corp	\$127, \$163,	1215 1615	1212 165a	- 13
7800 1650	Care	\$101 <sub>4</sub> \$91 <sub>9</sub>	10 9	10 91,	- 10	5000	Inter City	S 153 <sub>4</sub>	1512	1534	+ 19	3400 15500	Regioni R Reitman A 1	195 T	190 27	195 27	-3°	9437	Provigo	\$19	183	19	+ 59
5925	Cara A f Carl OK	\$130	135	1334	+38	2750 92830	Inti Thom Intor Proe	\$113 <sub>8</sub> 5401 <sub>2</sub>	111 <sub>4</sub> 391 <sub>4</sub>	111 <u>4</u> 401	+11,	1030	Rio Algoni	522%	225	225	5	1000 255	RollandA RollandB	\$141 <sub>8</sub> \$141 <sub>4</sub>	14 141 <sub>4</sub>	14's 14's	+ 1g
20003	Carma A	17	1612	17	+ 11;	200	Ipaco	57%	7h	712		100 26010	Rogers A	\$244 \$246	243g 243g	243 <sub>8</sub>	+1	22255	Royal Bank	533	37 4	37	- 4
400 9750	Celanese CentFd A	516 55½ 520¼	16 ¯ 614	16 64	-1,	25289 4000	Ivaco A 1 Ivaco B	\$21 <sup>7</sup> 8 \$21	201 <sub>2</sub>	217g 21	+ 1% + 1%	10	Rogers 8 f	\$373.	373.	379	- 18	510 11582	RoyTratco StornbroA	\$32% \$41%	32 a	327s	- %
2100	Centri Tr		207	2012	+ 14	2502	Jannock	5247 <sub>8</sub>	247	247	- 16	48021	Royal Bok	\$33	325	323						٠.	*
38936	Comingo	\$13	123,	124	+14	4843	Kerr Add	\$15	15	15		3600	RyTree A	\$33	3278	33	+%	Total 5	Seles 3.746.23	a spore	15		
											_							-					
																			•				

#### **Indices**

FW	/ YO	DK.									1 .						
	1	Γ.		_	· ·	т.	198	5/86	Since Co	mpilaise	!	Aug. 27	Aug.	Aug. :	Aug. 28	· F# 19 High	B6 Low
-	Aug 27 1,994,53°	28 1,904,25	Amp 25 1,871,77	Aug 22 1.887.88	Asp 21 1.881.1	Aug 20 1 1881 2	High 1989 6	Lpw 81502 29	High 1908.83	Low 41.22	AUSTRALIA All Ord. (1/1/80) Metajs & Mnls. (1/1/80)	1182,4 545.8	1179.8 543.6	1179,2 ° 545,4 I		1247.0 (7:5) 602.0 (24:5)	1010,6 (2/1) 481,1 (20/5)
usperi	781.50*	774.80	781.75	[			(2/7/86) 3 838.84	22/1/86 686.57	(2/1/88) 830.84	12.32	AUSTRIA Creditok Aktien (50/12/84)					288,84 (23:4)	225,58 (5/8)
ities	217.78	217.72	214,37	217.39	218.2	219.13	Z19.15	168.47		18.5	BELGIAN Brussel SE (1/1/84)	3853,48	8887.05	2868,08	5885,97	3868,68 (25/8)	2788,81 (15/1
ing vel		157.1 <b>8</b> m	184.35m	116.13=	135.18e	157.80a	1 '		(28/8/85) —	B/4/34   -	DENMARK Copenhagen SE (5/1/88)	197.74	198,6	18B,90°	199,90	250,70 (18/4)	195.69 (8/1)
iv Yish	. nr	L	\ 	Aug 22 3.50	<del></del> -	ig 15	Aug 8 Year		leer Ago (/	<u></u>	FRANCE CAC General (51/12/82) Ind Tendance (51/12/82)	. 410.9 1 156.9 1			402.10 158.9	411,5 (15/6) 158,9 (27:8)	287,6 (2/1) 191,6 (2/1)
	AND POSE	<u>s</u>	<u></u>	3.55	<u> </u>	1	3.88 4.56				GERMANY FAZ Aktien (81/12/58) Commerzbank (1/12/58)	698,51 2104,8	691.72 2090,7	586,85 2102,2	691,78 2081,0	755.88 (17/4) - 2778,8 (17/4)	585,92 (22/) 1782_4 (22/)
	Aug 27	Acq 26	Ang 25	Aug 22	<u>ب</u>	Aug. 20					HONG KONG Hang Seng Bank(61/7/84)	:				1850_12 (18/8)	
trials	278.95	274.49	222.37		21 274,\$1	234.37	282,24 (2/7)	224.88 172/11	High 282,24 0/7/86	3.52	ITALY Banca Comm Ital. (1972)	B11,14	802,8	812,08	B14.71	998,20 (20/6)	454,67 (24)
osite	253,38	252.JK	247.51	253.19	241.67	249.77	252.84 (26/8)	283.48 (22/1)	252.84 (26/8)	4.40 [1/6/32]	JAPAN** Nikkel (18/5/49) Tokyo SE New (4/1/68)	18505,27 1529,5	16840.98 1652.45	18565,81 1548,42	18441,81 1644,13	i 18956.2 (20:8) 1585.55 (20:8)	12891,5 (21/ 1025,85 (21/
		Avg 20		Awg 13	Aug	۲,	Year Age (Approx)		NETHERLANDS ANP.CBS General (1970) ANP.CBS Indust (1970)	287.7 288.2	292.8 294.5	288.7 285,7	286.9 298.5	299.6 (21/8) 505.5 (18/8)	240,4 (ā:ā) 254,0 (ā:ā)		
P/E Ra	46 60	18.34		1	2.99 8.11 7.34	3.16 3.72 17.48 11.90 7.53 18.39		0	INUNHAT		881,6	Z60,09	358,55	402,91 (16/1)	351,61 (4/8)		
	L COMME			7.13	1	7.34	RISES AND FALLS				SINGAPORE Straits Times (50/12/66)	822,66	805,89	815.79	811.54	822,86 (27/8)	585,54 (28/4
T	log Aug 26 25	Aug 22	—	1988	 -		T	Aug 25	Aug 25	Aug 22	SOUTH AFRICA JSE Gold (28/9/78) JSE Indust (28/8/78)	=	1678.0 F	1869.0 : 1296.0	1649.0 1297.0	1669.0 (25/8) 1802.8 (14/8)	1109,1 (21/4 1018,8 (2/1)
	0.59 142.6	<b>↓</b> =-	145.% (29/8)		— ka 5 B	tes trade		2,818 1,144 582	551 1,945	.2,801 825 723	SPAIN	195,2	195,75	196,47	195,92	199,47 (25/8)	100,65 (5/1)
		<u> </u>	HVCE		_	thechesged			376	453	SWEDEN Jacobson & P (\$1/12/56) ;	2486,66	2505,48	2517.55	2549.76	2620,82 (12/8)	1729.57 (28/1
		ocks wheel	NYSE-Consolida 1892au. Chango Prica on Dav		ge	1366 L	St	ocies mini	3.86p.m. Price	, Change on Day	SWITZERLAND SWISSBARK Con (\$1/12/58)	581,7	557.4	581,5	588,7	625.5 (8/1)	487,2 (4/8)
eo g Bek	1,73 1,83	1,9 <b>90</b> 9,290	3374 557 37	+1	in 181 Cha	i Inton Com Inticial	1,4 1 . 1,2	1,396 9,300 9,300 sd	14874 4456	- % + 1/2 - 11/4	WORLD M.S. Capital Intl. (1/1/70)	i	858,2	355,8 ·	857.4	359.2 (20/8)	249,8 (25/1
1,590,980		0,580 24 unch Comw E 1,500 58% - 1/4 Oxy Petr		w Ef			** Saturday A	lugust 2	3: Japan	Nikkel	18132.8	13. TSE 1501	3.89.				

Base value of all Indices are 100 except Brussels SE—1,000, JSE Gold—255.7. JSE Industrial—264.3, and Australia. All Ordinary and Matais—500. NYSE All Common—50: Standard and Poors—10: and Toronto Composita and Metais—1,000. Toronto Indices based 1975 and Montreal Portfolio 4/1/83. † Excluding bonds. ‡ 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable. 2,942.5 2,942.50 2,822.0 2,914.7 2,442.85 (21/3) 1,917.4 (5/8) 2,034.1 3,836.30 3,917.3 1,915.7 3,129.11 (18/4) 2,754.0 (17/2) 1,523.22 1,521.23 1,585.87 1,585.19 1,823.33 (16/4) 1,386.6 (22/1)

LONDON	(in penc	Chief price changes e unless otherwise indicate	May & Hassell 142 Meyer Int 250 Nth Sea & Gen 28	+30 +11 +4	FALLS Anchor Chem 217 Blue Circle 535	-13 -18	
AMEC	+14 +13 +10	Glaxo 982 Glynwed Int 308 Jaguar 515 Kennedy Smale 128 Lon & Midland 225	+27 +10 +27 + 8 + 5	Ocean Trans         235           Olives Paper         55           Shell Trans         930           Slough Est         170           Smiths Ind         278	+17 + 5 +27 + 6 +13	Irish Distil	-20 -27 -17 - 7 -20
D J Security 108	+ 8	Marley 122	+ 4	Triton Europe 135	+ 8	Willis Faber 409	-16

### European bourses take their cue from the US

Continued from Page 32

Indicates pre-close Strang

managed a DM 2.20 gain at DM 508.20 while Porsche dropped DM 11 to DM

Amp 25

Aug 22

Steels staged a technical rebound from recent falls while bank and machinery makers, both weak on Tuesday,

regained their poise.

Mannesmann scored a DM 15 advance to DM 195, Commerzbank sparkled with a DM 4.80 rise to DM 348 and Linde at DM 768 was DM 11 higher, offsetting part of the DM 18 loss of the previous

Varta scored a DM 8 advance to DM 369 on its forecast for higher 1986 prof-

Bond prices fell up to 45 basis points as foreign investors moved out ahead of today's Bundesbank policy council meeting which could signal a move on rates. The central bank announcement that it would not hold a press conference after today's meeting suggested, however, that the discount rate - currently 3.5 per cent - would not be cut although rate changes have occurred in the past with-

out a press briefing.

The central bank was particularly active yesterday with hefty purchases of DM 205.3m of domestic paper after sales of DM 45.1m on Tuesday. The average yield on public-authority paper edged 1 basis point higher to 5.57 per cent. Brussels was quietly lower. The Belgian Stock Exchange index slipped 3.57 to 3,833.48.

Petrofina bounced back with a BFr 120 advance to BFr 8,970 after Tuesday's BFr 140 drop while Sofina, the financial holding group, added BFr 250 to BFr 11,400. Chemical issue UCB was also higher with its BFr 70 sprint to BFr 8,970.

Retailers were mixed as Delhaize added BFr 50 to BFr 3,150 and GB Inno EM dropped BFr 140 to BFr 8,360.

Among lower banks, Kredietbank sur-rendered some of its recent gains with a BFr 200 drop to BFr 16,750. The bank is thought likely to proceed with a rights

thought likely to proceed with a rights issue next month.

Zurich closed higher in moderate turnover as the stronger dollar triggered a small bout of buying. Banks and insurers were among the strongest.

Milan ended a succession of falls with a modest rally instigated by institutional and foreign demand.

Montedison recovered L140 to L3,690 as negotiations continue over the

as negotiations continue over the group's planned takeover of the Swedish

biotechnology group Fermenta.
Fiat scored a L300 jump to L16,000
while Generali posted one of the largest
gains of the session with a L2,000 rise to
L167,000.

Saipem was one of the few to move against the trend with a L6 fall to L5,299.
Oslo enjoyed brisk trading which pushed the All-Share index 3.61 higher to 288.85. Norsk Hydro's NKr 6.50 jump to NKr 155.50 reflected the moves on oil production and likely price rises while Norsk Data, the other leading blue chip, jumped NKr 8 to NKr 232.

Elkem and Kværner Industrier re-

sumed trading after Elkem revealed the NKr 570m price it paid for a 27 per cent stake in Kvaerner. The former jumped

stake in Kvaerner. The former jumped NKr 8.50 to NKr 114 while the latter closed up NKr 5 to NKr 185. Both issues were heavily traded.

Banks were generally weak, with Bergen down NKr 1 at NKr 184 and Christiania losing 50 ore at NKr 183.

Stockholm was steady in moderate trading, Volvo, due to report results to. trading. Volvo, due to report results to-day, shed SKr 3 to SKr 401 while Erics-

son, also scheduled for results today, slipped SKr 1 to SKr 227.

Aga continued to lose ground with a further SKr 11 drop to SKr 186 after its

poor first-half earnings figures.
Fermenta remained suspended pending clarification of the proposed takeover by Montedison.

Madrid lost more ground in quiet trading. Utilities and communications led the fall.

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### FINANCIAL TIMES WORLD STOCK MARKETS

**WALL STREET** 

### Early rally proves short-lived

yesterday proved short-lived in the face of a setback in federal bonds, writes Terry Byland in New York.

Lacking the futures-oriented buving programmes so significant on Tuesday, the blue chips abandoned their early gains, leaving the market with mixed

Bonds lost nearly half a point after hopes on another round of concerted rate cuts by the G-5 countries were checked by a firm denial from the Bank of Japan and by the Bundesbank's failure to schedule a press conference to-

The Dow average jumped 5 points within the first hour to clear its record close of 1,909.03, and the other leading indices also forged into new territory. Mirroring the Dow, stock in IBM closed unchanged at \$141% after a heavy trad-

ing session.

But the indices soon turned off as technology stocks lost their initial gains. Oil, the other plank of Tuesday's market strength, continued to gain ground. Strength in airline stocks again boosted the Dow transportation average.

Tokyo New Stock Exchange

Jan 4.1968-100

1983

1,904 53 1,904.25 1,322.47

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2,046.50 2,077 3,036.30 2,784.5

1,521 23 134,70

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1,932,99 1,917.00 1,667.30

367.61 361.60 350.37

195.75

2,496.66 2,505.46 1,336.57

561.70 557.40 473.2

358.2

Aug 27 344.55p

2874.50

\$14,30

August 27 \$381.00

\$380 25

\$377.71

\$378 65

5386 30

22.225.00

219.4

345.55p

2873.25

\$382.375

\$380.75

\$380 02

\$379.70

\$385.60

£2,197 50

Aug 26

358.20

COMMODITIES

GOLD (per ounce)

238.20 294.30

9.42

August 27 Previous

1.280.5 1.276.6

1984

159.62

188.10

991.3

1,310.8

694.24

10.32

524.6

1985

1982

STOCK MARKET INDICES

781.50

253.30

883.76

9 43

1,182.4 1,179 3

244 9

545.3

237.88

3,038 1

1800 E

1400

1200

1000

900

800

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**NEW YORK** 

LONDON

FT Ord

FT-SE 100

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Tokyo SE

AUSTRALIA

Metals & Mins

Credit Aktien

Belgian SE

Toronto Metals & Mints 2,048.5

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AUSTRIA

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HONG KONG

Hang Seng

Banca Comm

NETHERLANDS

ANP-CBS Ind

NORWAY

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SINGAPORE

Straits Time:

SOUTH AFRICA

Madnd SE

SWITZERLAND

Swiss Bank Ind

MS Capital Int'I

Silver (soot fixing)

Copper (cash)

Coffee (Sept)

Oil (Brent blend)

SWEDEN

WORLD

il endari

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Faris (fixing)

Luxembourg

New York (Dec)

Zürich

ITALY

WEST GERMANY

TOKYO

FT Gold mines

FT-A Long gift

DJ Industrials

DJ Transport

S&P Composite

KEY MARKET MONITORS

At the close, the Standard & Poor's 500 and the NYSE Composite indices had edged forward to new peaks, but the Dow Jones industrial average, finally up 0.28 points at 1,904.53 remained just short of its all-time high. NYSE turnover eased to 144.1m shares.

Bullishness in oils was stimulated by the belief among industry analysts that the Opec production agreement may be successfully maintained. Earlier this week, an investment press report indicated that US drill rigging activity has at last commenced a recovery.

Atlantic Richfield, up \$1% at \$58%, again stood out strongly, with Chevron, up 5% at \$44%, and Texaco, \$1% higher

The announcement of a new chairman for Exxon when Mr Clifton Garvin retires in December left the shares \$1\% up at \$69% in busy trading.

Among the oilfield services groups.

Schlumberger added \$\% to \$33\%, in another active trading session, but Reading Bates remained unchanged at \$2.

The reverberations of the Transportation Department's rejection of Texas Air's bid for Eastern - although not certain to stop the merger - left Texas \$1 up at \$30 and Eastern unchanged at \$8%.

United Air jumped \$2% to \$58 as it became clear that its planned purchase of Frontier Air had been abandoned. People Express, admitting that there was no other buyer for Frontier, eased \$\% to

The other major domestic air carriers again benefited from the problems among the fare-cutters. American added 5% to \$56% and Delta \$1/2 to \$44. Pan Am brightened by \$1/4 to \$51/4.

1850

1250

STERLING

1,4845

229.5

2,4425

3.4275

62.85

2,095.5

2.0725

1.4835

229.75

2.45

3.4325

2,094

62.85

2.0685

5.285

6.745 6.961

Day's

change

+0.03

+0.03

+0.02

+0.04

+0.01

91.125 6.53

100%2

Yield

6.80

6.14

6.66

6.79 10223:2

7.249 1002162

1021% 7.018 1021%

Jul 1986 Aug

CURRENCIES

154.95

6.715

1.6520

2.3125

1,411.5

42.35

1.3955

INTEREST RATES

US BONDS

100% 6.091

Day's change

-0.15

-0.03

-0.16

-0.22

August 271

FINANCIAL FUTURES

Latest High

94.81 94.83 94.79 94.83

94.14 94.21 94.14 94.14

121-09 122-06 121-09 121-31

91.375

106.75

US DOLLAR

Aug 27 Previous

2.0445 2.0495

154.65

1.6450 2.3085

1,411,5

month offered rate)

6-month USS

Source: Harns Trust Savings Bank

157.80

149 73

139 81

152.29

186.89

Source: Merrill Lynch

3% July 1990

10% Jan 1993

9% March 2016

814 April 2016

Citicorp

CHICAGO

8% 32nds of 100%

\$1m points of 100%

S1m points of 100%

£50,000 32nds of 100%

Latest aveilable figures

Three-month Eurodolla

Sept

Sept

LONDON

US Treasury Bends (CBT)

8 April 1996

FFr

(offered rate)

**US Fed Funds** 

US3-month T-bilk

1993

1-30

1- 3

15-30

42.35

A weak spot among the heavy manufacturers was Navistar, now a truck and truck component company, which eased 5% to \$7% after trimming its administrative and sales staff.

With programme traders no longer supporting blue chips, General Motors shares flagged again, shedding \$\% to \$73\%. At \$63\% Ford added \$\%, and Chrysler held steady at S41.

Banks were a shade easier as analysts calculated the effects of the prime rate cuts on prospective earnings. However, with short-term rates still low and another half point in discount rate widely expected before Christmas, bank profits could receive a further boost before the year end.

Chase Manhattan at \$42% was only 5% off, and similar paths were traced by Bankers Trust, S% off at \$51%, and Manufacturers Hanover, unchanged at \$46 ...

In the insurance sector Crump Com-panies jumped \$2½ to \$32% in the overthe-counter markets after Sedgwick Group of the UK agreed to pay \$33 a share for the equity.

There were some firm spots among the retail issues, but the best gains were not held. J.C. Penney, which has returned to favour since its latest profits statement, added 5% to \$78%. Federated Department Stores, up \$\% at \$86, also found buyers, but Sears Roebuck shaded 51/2 to \$463/4.

#### TOKYO

### Tax report triggers profit-taking

REPORTS that the Finance Ministry plans to tax capital gains on stock investments triggered profit-taking selling of large-capital issues in Tokyo yesterday and a sharp decline in prices, writes

Shigeo Nishiwaki of Jiji Press.
The Nikkei average dropped 137.56 to 18,503.27. Volume remained at a heavy 1.812bn shares although it fell from 2.035bn shares on Tuesday. Losers out-paced gainers 540 to 299, with 119 issues unchanged.

Large-capital steels, shipbuildings, heavy electricals and utilities, which had been leading the bullish market since last month, suffered serious setbacks due to the reported plan. Non-residents also unloaded on a massive scale. They placed sell orders of 109m shares with the Big Four brokerage houses in the morning alone, more than three times the normal volume and more than three times their buy orders of 35m shares.

Coming at a time when investors are increasingly cautious about the rapid rise in share prices, the capital gains tax report had a much greater impact on market participants than expected.

Nippon Steel, first on the active list with 184.89m shares, fell Y12 to Y259 and Kawasaki Steel Y11 to Y268 on the second-heaviest trading of 115.76m shares. Mitsubishi Heavy Industries lost Y18 to Y6638 and Nippon Kokan Y19 to Y290. Hitachi closed Y20 down at Y1,040, and Tokyo Electric Power plummeted Y360 to Y6.540.

However, communications related companies were selected. Trading houses planning to enter the field drew heavy buying, with Mitsubishi rising Y70 to Y1,290, Mitsui Y10 to Y800 and C. Itoh Y21 to Y918.

Matsushita Electric Industrial jumped Y90 to Y1,600, NEC Y50 to Y1,900, and Oki Electric Industry Y35 to Y850, Toyota Motor, which plans to launch a joint international communications service with General Motors of the US among others, also soared Y90 to Y1,650.

Expecting the Government to stimupublic spending, investors concentrated on general contractors. Taisei climbed Y32 to Y812, and Kajima went up Y20 to Y1,290. Tekken Construction finished Y100 higher at Y1,020.

On the bond market, a leading securities company bought vast amounts of the benchmark 6.2 per cent government bond maturing in July 1995, pushing the yield down from 4.555 per cent on Tuesday to 4.520 per cent at one stage. But the yield picked up to 4.550 per cent on later profit-taking and easier government bond futures.

Until yesterday, institutional investors and dealers had been basically bullish, expecting co-ordinated interest rate cuts by Japan and the US in September. But they then became discouraged by prospects that the West German Bundesbank might not cut its official discount rate yet and would instead reduce only the Lombard rate.

#### SINGAPORE

INVESTORS recovered from the previous day's panic following the unexpected prison sentence on Malaysian politician Tan Koon Swan and re-focused their interest on the market.

Both Malaysian and Singapore stocks found favour as share prices rose over a abroad front in active trading. With the Pan-Electric Industries episode firmly behind it, the market headed for rising issues, notably property counters.

City Development gained 12 cents to S\$2.00, and United Overseas Land rose 8 cents to \$\$1.48. Singapore Land rose 28 cents to \$\$5.00, Malayan Banking 20 cents to S\$4.22 and Singapore Press 35 cents to SS8.35.

The Straits Times industrial index added 16.97 to 822.86, with turnover increasing to 28.5m units from 26.5m the EUROPE

### Encouraged by prime rate cuts

THE OVERNIGHT surge on Wall Street galvanised sentiment on the European bourses yesterday as most centres took encouragement from Tuesday's cut in UK bank prime rates.

Paris continued on its higher path by registering the 13th consecutive gain on the strength of the New York run to record heights and the prospect of the West German Bundesbank cutting its

The main bourse index gained 1.6 per cent to within a whisker of its record

high.

Oils, following the lead set by many US petroleum groups, were actively higher on the news that Norway might be prepared to cut production and thus boost crude prices. Total-CFP was the best feature with its FFr 32.50 surge to FFr 477.50, a gain of 7 per cent, while Elf-Aquitaine added FFr 7 to FFr 351.

Construction issues, reflecting the hopes of lower interest rates, gained ground, with Bouygues FFr 29 higher at FFr 1,459, while Screg continued to oscil-late with a further 5 per cent gain of FFr 1.90 to FFr 38.40.

The car sector posted strong rises, with Peugeot gaining FFr 30 to FFr 1,250 on a favourable analyst's report. Michelin managed a FFr 15 advance to FFr 3,565, and Valeo closed the session FFr 20 stronger at FFr 541. The electronics and engineering sec-

tors also saw broad gains. Alcatel was FFr 100 up at FFr 2,120, Thomson-CSF FFr 16 to FFr 1,750. Avions Dassault FFr 29 to FFr 1.479 and Matra FFr 76 to FFr

Food and general retail stocks managed solid progress, with BSN finishing the session FFr 51 up at FFr 4,200 and Source Perrier - a recent favourite among foreign investors - advancing FFr 20 to FFr 780. Moet-Hennessy, the champagne to rosebush group, reversed the softer tone displayed on Tuesday with a FFr 24 gain to FFr 2,315 while Pernod Ricard, also weak in the previous session, managed a FFr 20 rise to

Carrefour, the hypermarket chain, edged FFr 10 higher to FFr 3.395, and Au Printemps at FFr 646 was FFr 3 higher. Bongrain moved against the trend with its FFr 2 drop to FFr 2,045.

Bonds were higher in moderate volume despite some late profit-taking. Heavier than usual demand was evident for long-dated state issues. Amsterdam carried through the rally

started late on Tuesday as the ANP-CBS General index moved 4.9 higher to 297.7, just below its record.

Sporadic profit-taking developed late

in the session, but sentiment remained fundamentally bullish, according to bro-

Internationals, inspired by the strong showing on Wall Street, led the rally. Royal Dutch closed Fl 4.70 higher at Fl

Unilever recovered the losses of the previous session with a Fl 3.50 rise to Fl 518.50 while Naarden International, subject to a bid by Unilever, added Fl 1.20 to FI 91.50 on news that Arab Banking had built up a 10.2 per cent stake in the:

pite the higher oil prices. Nat-Ned edged 50 cents higher to FI 87.70 after revealing lower revenue and a marginal gain in first-half profits. Among publishers, VNU failed to re-

rates stabilised at overnight levels.

Frankfurt continued to fluctuate in a narrow range, with the Commerzbank index up 14.1 points to 2,104.8. Most of the gain was ascribed to the firmer Tuesday tone on Wall Street as domestic

uncertainty persists over the likely moves of the Bundesbank on rates. The car sector see-sawed again, with BMW rising DM 21.90 to DM 638.90 and

Continued on Page 29

INTEREST was reactivated in Sydney by the stronger local dollar, which is being supported by central bank activity, and renewed hopes of a cut in domestic interest rates.

The Government's move to lower the price of domestic crude boosted oil and gas issues. Santos put on 5 cents to A\$3.85, Vamgas a similar amount to A\$2.40 and Consolidated Petroleum 1 cent to 14 cents.

MIM advanced 5 cents to A\$1.80 while Comalco, the 70 per cent subsidiary of CRA, ended unchanged at A\$2.40. CRA, however, rose 10 cents to A\$6.00.

cents at A\$7.10, but Gold Mines of Kalgoorlie bucked the trend with a 10-cent rise to A\$11.10.

to R32.75, and Barlow Rand lost 10 cents to close at R19.05.

LONDON

208.50, and Akzo at Fi 97.20 was Fi 2.20

fragrances group over the past week.

Fokker retreated 30 cents to FI 72.50 despite its recent announcement that it had sold a further seven F-100 aircraft, and KLM added 20 cents to Fl 43.60 des-

spond well to its 13 per cent rise in firsthalf earnings and the group shed Fi 3 to The bond market was little changed

The CBS Bond index slipped 0.2 to 119.3, and the average yield on Dutch government bonds rose to 5.81 per cent from Tuesday's 5.79 per cent. Money market

Daimler adding DM 16 to DM 1.317. VW

#### **AUSTRALIA**

Golds were lower, with Kidston off 10

#### **SOUTH AFRICA**

AN EARLY RALLY in gold shares, after the previous day's profit-taking, soon faded to leave the issues mixed by the afternoon's trading along with industri-

Anglo American Gold closed up R3 at R325 while parent group Anglo American Corporation gave up 25 cents to close at R63.75. De Beers put on 25 cents

### **US** support provides new strength

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A 2150

Ag siego

AFTER a mixed beginning, London strengthened yesterday, and the FT-SE 100 closed at a day's high of 1,629.8, up 13.6. The FT Ordinary share gained only 3.9 to 1,280.5.

Buying enthusiasm was initially aroused by Wall Street's purformance and the announcement of takenver bids, the largest being the IEP (UK) offer for Ocean Transport and Trading, up 17p at 235p. But interest was tempered by Sedgwick's call for £186m through a

rights issue. Sedgwick fell 27p to 345p. Poor results from Blue Circle, down 18p at 535p, then eroded confidence, and the tone continued lower as hopes of a cut in the West German interest rate faded.

But support from the US effected a revival with buying aimed at favourites BP, 13p up at 670p. Glaxo, 27p higher at 982p, Shell Transport, up 27p at 930p, and Jaguar with a 27p advance to 515p. Gilts were mixed with gains of around % and some losses.

Chief price changes, Page 29: Details, Page 28: Share information service, Pages 26-27.

#### HONG KONG

A FAVOURABLE reaction to interim results announced by Hongkong and Shanghai Banking Corporation helped the market higher in Hong Kong.

Local buying interest returned after the bank reported a 7.9 per cent rise in profit to HK\$1.2bn for the six months ended June 30, taking banking shares

A late surge of overseas buying boosted shares across the board. Hutchison Whampoa rose 75 cents to HK534.25, Jardine Matheson:30 cents to HK\$15.80 and Swire Pacific 'A' class shares 10 cents to HK\$14.10.

The Hang Seng index rose 15.99 to 1,932.99, on turnover of HK\$317.17m compared with HK\$301.39m the previous day.

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#### CANADA

OILS, METALS and mining issues led the modest advance in Toronto while in-

dustrials traded mixed. Canadian Pacific eased C5% to C\$14%. and Thomson Newspapers class A rose CS% to C\$30% while FCA International

was steady at C\$21. Among higher oils, Imperial class A added C\$% to C\$44, Shell Canada climbed CS% to C\$33% Texaco Canada added C\$¼ to C\$28% and Gulf Canada firmed

C\$1/4 to C\$141/4. Montreal was also higher.

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